



Sudden Valley Community Association

360-734-6430

4 Clubhouse Circle Bellingham, WA 98229

www.suddenvalley.com

Board of Directors Regular Meeting

February 27, 2025, 7:00 PM, 4 Barn View Rd. MULTIPURPOSE ROOM A

Call to Order

Land Acknowledgement & Anti-Racism Statement

Roll Call

- 1) Adoption of Agenda – Page 1
- 2) Announcements
- 3) Property Owner Comments – 15 Minutes Total – *Comments limited to 3 minutes per person.*
- 4) Approval of Minutes
 - a) 02/13/2025 Draft Board Meeting Minutes – Page 3
- 5) Reports
 - a) GM Report - Page 7
 - b) Financial Report – December 2024 (Distributed) – Page 13
- 6) Continuing Business - None
- 7) New Business – Consent Agenda
 - a) Contract Approval – 2025 Level II Onsite Reserve Study – Page -- 22
(Smart Property - \$9,970)
 - b) Resolution Approval – 2025 Corporate Resolution for Signing Authority – Page 28
 - c) Approval Request – 2024 Business Tax Return Filing – Page 30
(Larson Gross – Estimated – Not to Exceed \$4,000)
 - d) Capital Request – Design and Permitting 2026 Road Projects – Page 39
(Impact Design/PNW/Allowances - \$41,888 – from Roads)
 - e) Capital Request -- 2025 Potholes & Minor Road Repairs – Page 44
(SVCA Maint. Dept. 2025 Expenditures - \$37,856 from Roads)
 - f) Capital Request -- 2025 Fast Response for Unforeseen Drainage Issues – Page 46
(SVCA Maint. Dept. 2025 Expenditures - \$91,936 from Roads)
 - g) Capital Request – 2025 On Call Engineering Svcs. for Roads & Drainage -- Page 48
(SVCA Maint. Dept. 2025 Expenditures - \$43,264 + \$2,000 from Roads)
 - h) Capital Request – 2025 Pavement Marking and Street Signs – Page 50
(SVCA Maint. Dept + Kamps Painting Bid - \$31,805 – from Roads)
 - i) Capital Request – 2025 Ditches, Culverts, and Swales (CVC) – from Roads – Page 52
(SVCA Maint-\$67,774 + on-call contractors- \$99,559- \$167,333)
 - j) Capital Request – Turf Care Equipment – Top Dresser – Page 55
(Turfco CR-20 - \$50,592)

8) New Business

- a) Event Approval – Safety Committee Firewise & Emergency Preparedness Event
(Monday, May 12, 2025 – 4-9 pm – Dance Barn)
- b) Approval Request – Rec. Membership Use Fee Proposed Changes – Page 62
- c) Capital Request – 2025 Austin Creek Bank Stabilization Engineering – Page 64
(Chinook Engineering / PNW - \$24,882 - CRRF)
- d) Approval Request – 2025 AGM Election Services – Page 68
(Option 1: Unilect Corp. Paper ballots only option estimate = \$23,906)
(Option 2: Unilect Corp. online + paper option estimate = \$16,288)

Adjournment



REGULAR SESSION OF THE BOARD OF DIRECTORS

Thursday, February 13, 2025

Minutes

DATE AND LOCATION: MULTIPURPOSE ROOM A

CALLED TO ORDER AT: 7:00 PM

AUDIENCE MEMBERS: Not Recorded

BOARD MEMBERS PRESENT:

1. Keith McLean-Excused	4. Laurie Robinson	7. AJ Tischleder-Excused	10. Robb Gibbs-Via Zoom
2. Taimi Van de Polder	5. Tom Henning	8. Rick Asai	11. Daniel Rodriguez
3. Linda Bradley	6. Ray Meador	9. Stu Mitchell-Excused	

ATTENDING:

Staff Members: Michael Bennet General Manager, Allen Helvajian, IT.

Call to Order

Vice President Van De Polder called the meeting to order at 7:00 PM.

President Mc Lean had an excused absence.

Land Acknowledgement and Anti-Racism Statement.

1. President called for motion to adopt the agenda.

Motion: Move to adopt the agenda.

Motion By: Director Bradley		Seconded By: Director Meador	
Approved: X	Not Approved:	Tabled:	Died:
In Favor: Unanimous	Against:	Abstained	

2. Announcements.

Compliance letters to members is only the first notice of violation.

3. Property owner comments.

- Discussion regarding the soon to be decommissioned water tower in Gate 2.
- Member brought report forward to Board regarding the waterlily project in 2024.

4. Consent Agenda

Motion: To have the board accept the draft minutes of the 1/23/ 2025 board meeting as submitted.

Motion By: Director Van De Polder		Seconded By: Director Meador	
Approved: X	Not Approved:	Tabled:	Died:
In Favor: Unanimous	Against:	Abstained:	

5. Reports

5a. GM Report (Information included in agenda packet pages 5-10.)

5b. Storm Recovery Update.

5c. Committee Updates

- i. Architectural Control Committee**-couple of long meetings due to a large amount of builder new built submittals.
- ii. Long Range Planning**-Have had two meetings. Very talented group of committee members. A survey will be coming out in the February Views what members feel we should be looking at. What options would the community like to see in the future.
- iii. Document Review Committee**-no activity. I still need the community volunteer for the committee. There are some policies from last year that we updated, that we had to wait to have removed until the new ACC policies were published officially.
- iv. N&E Committee**-Committee discussed the need to communicate with the community. Had a Zoom meeting with UniLect, GM and N&E Chair to request proposals for the 2025 Election, one to include online voting.
- v. Safety Committee**-We have several things in the planning. We have been working on a Firewise program in May that will include some other emergency preparation types of things. We are looking at water safety for boaters to lend life preservers to those who need them. Looking at the bus safety bus stop safety in areas trying to develop safer areas, especially where there is a larger number of school kids. What sorts of things can we do to help make those bus stops safer for the children?

6. Continuing Business

6a. Appointment of Short term Rental Directors

Director Rodriguez nominated as Chair of the Taskforce.

Director Robinson was nominated as second director.

Motion By: Director Van De Polder		Seconded By: N/A	
Approved: X	Not Approved:	Tabled:	Died:
In Favor: Unanimous	Against:	Abstained:	

6b. Lake Whatcom Policy Group Board Appointment

Director Asai was nominated for the appointment.

Motion By: Director Van De Polder		Seconded By: N/A	
Approved: X	Not Approved:	Tabled:	Died:
In Favor: Unanimous	Against:	Abstained:	

6c. Barn 8 Discussion-

Motion: Move the board task the LRPC, look at what are the options are available for Barn 8 and Barn 6, and report to the Board within 90 days.

Motion By: Director Van De Polder		Seconded By: Director Bradley	
Approved: X	Not Approved:	Tabled:	Died:
In Favor: Unanimous	Against:	Abstained:	

7. New Business

7a. Free Event Policy

Motion: Move that the Board approve the proposed policy. 2025.01 Free Community Events Policy.

Motion By: Director Van De Polder		Seconded By: Director Bradley	
Approved: X	Not Approved:	Tabled:	Died:
In Favor: Unanimous	Against:	Abstained:	

7b. Sudden Valley Safe Cycling Pump Track -LRPC Update

Motion: Long Range Planning Committee recommends Sudden Valley Safe Cycling consult with the various county jurisdictions needed for approval to build a pump track on SVCA property, and report back to the Board of Directors of the timeline. cost projection, and funding sources to convert the project. The board of directors will have a final decision on when and if the project is approved to move forward.

Motion By: Director Van De Polder		Seconded By: Director Bradley	
Approved: X	Not Approved:	Tabled:	Died:
In Favor: Unanimous	Against:	Abstained:	

7c. 25 Sudden Valley Drive Mitigation Property Transfer Agreement Ratification

Motion: The Board of Directors, approve the General Manager to accept Lot 61, division 16 (25 Sudden Valley Drive) as an off-site mitigation area lot following the execution of the attached real property transfer agreement.

Motion By: Director Van De Polder		Seconded By: Director Bradley	
Approved: X	Not Approved:	Tabled:	Died:
In Favor: Unanimous	Against:	Abstained:	

7d. Committee Appointments-LRPC and Safety

Director Meador for LRPC brought forward Chad Avery for committee appointment. Director Asai for Safety brought forward Daniel Harris for committee appointment. Both members have been vetted.

Motion: Board in favor of committee member appointments.

Motion By: Director Van De Polder		Seconded By: N/A	
Approved: X	Not Approved:	Tabled:	Died:
In Favor: Unanimous	Against:	Abstained:	

7e. Stable Lane Driveway Easement Approval Amendment

Motion 1: Move that the Board of Directors approve the form of the easement and authorize the General Manager to execute on behalf of SVCA if and only if all five owners who benefit from the easement have it properly signed and notarized.

Motion By: Director Van De Polder		Seconded By: Director Bradley		
Approved: X	Not Approved:	Tabled:	Died:	
In Favor: Unanimous	Against:	Abstained:		

Motion 2: Move to authorize the GM to inform the property owners that SVCA approves their request to install and maintain the driveway surface gravel-filled grid system, following execution by all five owners of the easement form agreement and recording the easement form agreement. The plans, materials, and methods must be reviewed and approved by the SVCA

Maintenance Manager. All County recording expenses and future costs for installing and maintaining the driveway will be paid by the owners, who will benefit from this project.

Motion By: Director Van De Polder		Seconded By Director Henning		
Approved: X	Not Approved:	Tabled:	Died:	
In Favor: Unanimous	Against:	Abstained:		

Adjourned 8:15 PM.

Approved by: _____
Linda Bradley, Board of Directors Secretary

DRAFT

Sudden Valley Community Association General Manager Report

February 27, 2025

General Manager Corner

As we transition from winter into early spring, our teams are working hard at preparing the community for the warmer months ahead. Despite February's snow and icy conditions, our Maintenance and Turf Care crews have diligently kept roads clear, maintained essential facilities, and made progress on key projects. With marina renewals underway, golf course improvements progressing, and critical infrastructure planning in motion, we are laying the groundwork for a successful and productive year. As always, we appreciate the community's support and engagement in keeping Sudden Valley a thriving place to live and enjoy.

Capital Projects Update

Active Projects

Turf care equipment replacement

The Turf Care Top Dresser equipment replacement (Tycrop MH400 fairway top dresser - Asset ID#1045) was included on the February 27, 2025, Board agenda.

Course Maintenance requests for 2025 equipment replacement are substantially complete. The Fairway top dresser (above) is the last unit to be replaced by CRRF for the 2025 budget.

Adult Center HVAC & Tankless Hot Water Heater Replacement

The HVAC system was installed, and final inspections were completed. The tankless water heater was installed on 1/27/25, and the final inspection is scheduled for next week.

Clubhouse HVAC Design & Permitting

The design is complete, and the permit application was submitted as planned in October. We are now waiting for the permit to be issued.

Bridge Design & Permitting

Design is underway, and we expect to submit for the permit in March. The WDFW permit application has been submitted, and we await comments before submitting it to Whatcom County.

Upcoming Maintenance Capital requests (February 27 & March 27 Board Meetings)

2025 Culvert Vegetation Control -- February 27

2025 Fast Response -- February 27

2025 On-Call Engineering -- February 27

2025 Pothole & Minor Road Repairs -- February 27

2025 Roads

- o Signs & Pavement Markings -- February 27

- o Area-Z Bridge Replacement -- March 27

- o Culvert #4 with Bridge -- March 27

- o Design & permitting for 2026 Road Projects -- February 27

- o Design & Permitting -- Austin Creek Bank Repair at Rec. Center Community Garden -- February 27

Upcoming Turf Care Capital requests (February-March)

Golf course cart path improvements - Greg and Kevin will measure areas needing replacement in March.

Golf course bathrooms—Fixtures and Paint—Greg will discuss what is needed with Mike Brock and generate three quotes in early March.

Turf Care building renovation - pending permitting.

Turf Care wash pad refurbishment – Further planning and investigation of the condition are pending.

Projects On Hold

Barn 8 Siding / Structural Renovations

The structural evaluation results were presented in December. PNW provided additional cost estimates (flat roof, HVAC system, covered bridge, ADA, etc.), which were discussed at the January 23 board meeting. The Board assigned the Long-Range Planning Committee (LRPC) the task of evaluating options for the renovation, replacement, or repair of Barn 8 and Barn 6 and asked for a preliminary report within 90 days.

Administration

Activity Summary

- Administration and accounting staff continue to support the GM with onboarding and detailed operational and policy history.
- Marina renewal responses are lagging compared to last year and are at 33% as of February 20. This is possibly due to the early start of the renewal process this year. We expect a rush of renewals as the weather warms up in early March.
- The GM and Office Manager Diane B. conduct weekly process meetings with *One Digital*, the HR consulting firm SVCA retained in January. The firm completed its HR audit for SVCA, covering past and current practices, policies, record-keeping, training, recruiting, hiring, and team member benefits and retention. Along with the staff, they have created the first Action Items to help prioritize our HR management strategies as we move forward in this new process.
- On February 19, the GM attended the first 2025 Finance Committee meeting, which featured extensive discussion and review of eight Capital Projects approval requests. Finance Director Joel Heverling also presented the December 2024 unaudited financial statements.
- The Nominations and Elections Committee, in collaboration with the GM and Board of Directors, is finalizing options for hybrid electronic voting alongside mailed ballots for SVCA director elections and budget votes. Electronic balloting could result in significant cost savings on printing, mailing, and administration.

Successes

- Diane B. continues to transition into the Office Manager role while managing the ACC Committee, assisting Allen, and preparing ACC submittals and meeting documents.
- Allen H. has taken on additional ACC and compliance responsibilities with ongoing training from Diane and close coordination with the ACC and Pacific Security.

Planned Work

- Staff are collaborating with the GM to migrate website files, forms, and data to an improved platform (*Click Monster Labs*). A comparative evaluation of the current *WordPress* model is planned before the new site is launched within the next 90 days.
- Provide logistical and administrative support for upcoming community events.
- Marina renewal fees, assessments, and other payments continue, with an expected surge in last-minute renewals expected after the February 28 deadline.
- Maintain regular e-blast communications along with weather-related updates for residents.

Accounting

Activity Summary

- Completed routine work to maintain monthly financial schedule; December financials completed.
- Performing year-end closing procedures.
- Reconfigured the accounting system for 2025 periods and all new charge codes.
- Began procedures for preparing prior year accounting records for the annual audit (2024 Audit Engagement was approved on January 23, 2025). Tax Return Preparation Engagement is pending.

Successes

- SVCA's collection rate continues to meet or exceed last year's performance.

Planned Work

- Finalizing 2024 Corporate Tax Return Engagement.
- Finalizing 2025 onsite Reserve Study Engagement (Level 2)

Maintenance 02/19/2025

Activity Summary

- The first two weeks of February were spent plowing roads and completing other weather-related tasks.
- Trimmed and chipped hedge adjacent to 9 tee boxes.
- Repaired door opener in Multi-Purpose Room at Rec Center.
- Replaced carbon filter on SP-6.
- Replaced the water heater serving the dance barn bathroom.
- Trimmed hedge along 9th Fairway and Rec Corridor.
- Replenished sand/salt mix.
- Repaired backpack blower.
- Installed solar lights at Gate 3 mailboxes on a trial basis.
- Replaced batteries in AEDs at Area Z and Welcome Center.
- Cleaned and removed snow removal equipment on OP-25.
- Evaluated and resolved electrical issues at the Rec Center.
- Improved sanders on OP-29 and OP-21 by adjusting baffles in hoppers.
- Repaired lockers at the Rec Center.
- Applied anti-ice brine to SVCA roads.
- Pruned a large cedar tree on 9th Fairway.
- Installed a new stop sign at Valley Crest Way and Rocky Ridge Drive.
- Removed fallen trees on SVCA ROW adjacent to Harborview Drive.

Successes

- Maintenance and Turf Care teams split into alternate snow removal shifts and have worked well together.
- Filled a vacant Maintenance Worker position.

Challenges

- Snow/Ice accumulation persisted in some areas, requiring repeated treatment and plowing.

Planned Work

- Repaired the fence damaged by a falling tree at Turfcare (in progress; the fence was temporarily repaired).

- Repair the cutting edge on the UTV snowplow blade.
- Clean and service snow removal equipment.
- Continue the trash can container project.
- Install video surveillance signs at mailbox locations.

Recreation

Activity Summary

- Processing Marina Renewals. 64 have been returned as of 02/19/2025 out of 192.
 - 6 Wet Only Renewals (7 Remaining)
 - 36 Dry Only Renewals (72 Remaining)
 - 22 Combo Renewals (49 Remaining)
- All Marina Slip renters who have not renewed have been called and emailed.
- Turned Multi-Purpose Room B into the new storage room.
- Filled more empty Area-Z Storage Spots.
- Turned the Alcove outside the sunshine room into the new board game area.
- Updated Facility Rental Forms
- Revising Community Center Operations & Rules Handbook.
- Documenting standard operating procedures.
- Set an S.O.P. for storage waitlists moving forward.
- Created a survey about Recreational Pick-Up Sports & Leagues for the community to fill out.

Successes

- The new fitness instructor, Ariel Szylagyi, and the new class additions from multiple instructors are going very well.
- Nakell continues excelling in the Assistant Recreation Manager Role, especially managing Facility Calendars & Rentals.

Challenges

- With so few marina renewals completed so far, we expect the end of February to see numerous last-minute Marina Renewals.

Planned Work

- Kayak Renewals
- Filling the last remaining Area-Z spots
- Evaluating Lifeguard & Water Aerobics Instructor Job Descriptions will be posted on March 1st.

Golf

Activity Summary

- Worked with Golf Club to finalize the annual budget for 2025.
- Coordinated yearly maintenance of the golf cart fleet with Greg and Bill.
- Completed registration for our 2025 PGA Jr. League, and entries are coming in.
- Kevin L. attended the National PGA Show in Orlando, Florida.
- Completed set up of our 2025 dynamic pricing in the PriSwing software.
- Set Stay & Play rates with the Holiday Inn Express for 2025.

- Stay and Play bookings with the Holiday Inn have been excellent.
- Working with the Skagit Casino on starting Stay & Play packages.
- Booked a few new outside events for 2025.
- Have daily meetings with Greg about course conditions, tree trimming, and future projects.
- Completed new flyers for all upcoming member events for the season.
- Preparing for winter series even this weekend – The Diehard Open.
- Promoting and taking sign-ups for our 2025 PGA Jr. League that runs May through July.
- Reaching out to the previous year's staff to plan for the upcoming season.
- Continuing to book outside events for 2025.
- Daily meeting with Greg on course conditions, #9 green sodding project, and future projects.

Successes

- Pre-book for previous and new tournaments is going well.
- Stay and Play and outside tournament bookings are going well so far.

Challenges

- Two Winter Series events have been rescheduled due to the snow.
- The course closed for almost three weeks in February.
- We had to cancel the Superbowl Shamble event.

Planned Work

- Continue to reach out to potential outside tournament groups.
- Send out a letter to the membership regarding course updates and upcoming events.
- Run a successful Diehard Open event.
- Draft a letter to the membership to communicate course projects and the upcoming season.
- Continue to reach out to potential outside tournament groups.
- Promote and prepare for the Three Tee Scramble on March 1st.

Turf Care

Activity Summary

Winter maintenance practices continue.

Successes

- Mr. Bennett, Greg Wadden, and Mike Brock met with the Whatcom Conservation District personnel, including Resource Specialist Emily Hirsch, to discuss the new native plant display garden project adjacent to the Welcome Center at 1850 Lake Whatcom Blvd. Whatcom County will furnish over \$13K in native plants, compost, and mulch, installed by volunteers alongside the Conservation District and SVCA team members.
- Mulching of the clubhouse landscape and garden areas was completed.
- All 60 Golf carts have had annual maintenance completed.
- Blackberry mowing throughout the golf course was completed.
- Garden surrounding #17 pump house cleaned up and mulched.
- Chipped up the remaining wood debris from the previous wind event.
- Extensive tree limbing around Putting green and #9 Green completed.

- Reshaped chipping green to receive new sod for the 2025 season.
- We have received delivery of two new turf care machines for the 2025 season, and both are now in service.
- Corrective aggressive pruning of all Willow trees completed.
- Hedges trimmed at #9 tee box and #9 green with maintenance assistance and the SV bucket truck.
- Large Cedar tree on #9 Fairway limbed up for better shot sightlines.
- Extensive tree limbing around Putting green and #9 Green completed.
- Reshaped chipping green to receive new sod for the 2025 season.

Challenges

- Weather related to snow and freezing weather puts us weeks behind now.
- The course was closed for 18 days due to the weather.
- The course finally opened on Tuesday, February 19.

Planned/Ongoing Work

- Turf equipment preventative maintenance is ongoing.
- Planning sod nursery and chipping green rebuild for the 2025 budget year.
- # 9 Green repairs are ready to start.
- Extensive tree limbing surrounding # 9 green.
- Drainage work on #12 fairway/approach to wrap up.
- Large garden cleanup around the clubhouse/ 10 tee.
- Preparing temporary greens in anticipation of cooler frost delay starts on the course.
- Extensive pruning project on Willow trees throughout the course to start.
- Planning sod nursery and chipping green rebuild for the 2025 budget year.
- The #9 Green repairs are ready to start between February 24.
- Extensive tree limbing of all Willow trees on the golf course.
- Seasonal hiring begins in earnest.

Weather updates and historical:

January 1 to February 19, 2024:	11.47"
January 1 to February 19, 2025:	4.83"

Sudden Valley Community Association
Balance Sheet
December 31, 2024 and December 31, 2023

	Unaudited**	See Note**	Inc / (Dec)
	Dec 31, 2024	Dec 31, 2023	
OPERATIONS			
Current Assets			
Operating Cash	\$ 857,147	\$ 678,244	\$ 178,903
Building Completion Deposit Fund	749,910	506,408	243,502
Member Receivables - Operations*	53,456	43,985	9,471
Other Receivables	16,109	16,560	(451)
Prepaid Expenses	84,726	70,215	14,511
Operating Lease ROU Assets	6,210	10,631	(4,421)
Inventory	5,824	5,659	166
Total Current Assets	1,773,382	1,331,702	441,681
Current Liabilities			
Accounts Payable	(143,316)	(226,676)	83,360
Accrued Vacation Liability	(76,335)	(64,195)	(12,140)
Accrued Payroll	(115,575)	(64,114)	(51,461)
Prepaid Assessments	(249,179)	(224,404)	(24,775)
Building Completion Deposits	(749,910)	(506,408)	(243,502)
Other Refundable Deposits	(9,956)	(5,896)	(4,060)
Operating Lease Liability	(6,210)	(10,631)	4,421
Prepaid Golf Memberships	(112,307)	(112,089)	(218)
Total Current Liabilities	(1,462,788)	(3,214,413)	(248,375)
Deferred Lease Revenue Liabilities			
Deferred Library Lease Revenue	(36,000)	-	(36,000)
Total Deferred Lease Revenue Liabilities	(36,000)	-	(36,000)
Operating Reserve Funds			
Emergency Operating Cash	363,815	362,252	1,563
Undesignated Reserves Cash	302,135	306,265	(4,130)
Total Operating Reserve Funds	665,950	668,517	(2,567)
Net Operating Assets	\$ 940,544	\$ 785,806	\$ 154,739
CAPITAL			
Capital Current Assets			
CRRRF (Capital Repair & Replacement) Cash Fund	3,072,349	3,627,018	(554,669)
Roads Reserve Cash Fund	1,893,611	2,034,275	(140,664)
Board Density Reduction Cash Fund	87,889	87,688	201
Mailbox Cash Fund	151,970	126,445	25,525
CRRRF Capital Reserve Holding Cash	219,618	222,019	(2,401)
Mitigation Assignment of Savings Cash	49,821	49,688	133
LWWSD Assignment of Savings Cash	14,939	101,840	(86,901)
Member Receivables - Capital**	13,625	16,112	(2,487)
Total Capital Current Assets	5,503,822	6,265,085	(761,263)
Capital Fixed Assets			
Fixed Assets	17,109,114	15,373,162	1,735,952
Finance ROU Assets	58,661	136,464	(77,803)
Lots Held for Sale	236,456	236,456	-
Total Capital Assets	17,404,231	15,746,082	1,658,149
Long Term Liabilities			
CRRRF Loan 2022	(1,553,342)	(1,799,425)	246,082
Finance Leases	(44,203)	(106,596)	62,393
Total Long Term Liabilities	(1,581,414)	(1,906,021)	324,607
NET ASSETS	\$ 22,267,183	\$ 20,890,952	\$1,376,231
MEMBER EQUITY			
Member Equity			
Current Year Net Income: Operations	284,466	463,239	(178,773)
Net Income: Rec Special Assmt	-	(180,468)	180,468
Transfers Out from Operations to Capital	(145,600)	(32,799)	(112,801)
Current Year Net Income: Capital**	1,095,115	1,471,336	(376,221)
Transfers Into Capital from Operations	145,600	32,799	112,801
Retained Earnings**	5,232,892	4,950,121	282,771
Capital**	15,654,710	14,186,724	1,467,986
TOTAL MEMBER EQUITY	\$ 22,267,183	\$20,890,952	\$1,376,231

* The Association's internal policy is to write off any member receivables that are 30 days past due as bad debts for internal interim financial statement purposes. As per SVCA policy, Management continues to pursue collection of these receivables via all avenues allowed by Washington State laws. In addition, the Association records and bills finance charges on receivables that are thirty days past due at 1% per month. At December 31, 2024, and December 31, 2023, the balances of receivables written off were \$699,426 and \$623,674, respectively.

** Beginning with the 2020 year end audited financial statements, Accounting Standards Codification (ASC) 606 requires issued audited financial statements to reclassify unspent capital dues revenue, including related capital transfer fee collections, as a contract liability balance (unearned revenue), which is then reversed out in future years when capital dues/capital transfer fee collections are actually expended on capital related expenditures. This particular accounting standard change is only incorporated into the issued audited financial statements and is not factored into SVCA's internal monthly statements as it would obscure the reality of monthly capital dues/capital transfer fee revenues collected for internal monthly presentation purposes. See SVCA's 2020 through 2023 audited financial statements (2023 represents the most recently issued audited statements), which fully incorporate ASC 606 and comply with Generally Accepted Accounting Principals (GAAP).

**Sudden Valley Community Association
Income Statement Summary**

UNAUDITED

	Current Month - December 2024			Year to Date - 12 Months Ending 12/31/2024			
	Operations & Operating Reserves	Operations Better / (Worse) Budget	Capital Reserves**	Operations & Operating Reserves	Operations Better / (Worse) Budget	Coll %	Capital Reserves**
REVENUE							
Current Year Dues & Assessments Income							
Dues & Assessments Income	222,528		230,678	2,672,588			2,770,734
Bad Debt Reserve	914		(2,015)	(54,791)			(40,781)
Net Current Year Assessment Income	<u>223,442</u>	<u>12,158</u>	<u>228,663</u>	<u>2,617,797</u>	<u>82,395</u>	97.9%	<u>2,729,953</u>
Bad Debt Recoveries - Prior Years			4,006				30,933
Golf Income	31,176	3,766	-	1,424,436	134,286		-
Marina Income	-	-	-	240,977	47,257		-
Rec Center & Pools Income	1,117	1,117	-	34,029	12,129		-
Legal & Collections Income	-	-	-	-	-		-
Other Income	8,495	3,751	-	145,198	56,748		-
Rental Income - Other	490	472	-	13,549	5,549		-
Area Z Rental Income	2	2	-	20,401	(3,599)		-
Lease Income	5,632	1,486	-	66,367	16,615		-
New Home Construction Fees	35,000	35,000	-	263,150	188,150		2,500
Capital Gain (Loss) on Sale of Assets	-	-	-	-	-		1,368
Investment Income	693	602	3,180	9,022	7,922		45,919
Total Revenue	306,047	58,354	235,849	4,834,926	547,452		2,810,673
EXPENSES							
Salaries & Benefits	318,270	(66,641)	-	2,407,632	82,359		-
Contracted & Professional Services	33,041	(3,770)	-	302,293	(119,493)		-
CC&Rs/ Mandates	55,211	(4,797)	-	554,469	(97,769)		-
Maintenance & Landscaping	27,506	(1,547)	-	417,533	22,644		-
Utilities	28,327	(7,287)	-	214,865	(12,554)		-
Administrative	34,842	(19,988)	-	200,696	(36,395)		-
Regulatory Compliance	(61,661)	66,265	290,809	241,633	(62,218)		290,809
Insurance Premiums	16,254	(2,022)	-	189,935	(19,156)		-
Other Expenses	-	83	-	-	1,000		-
Depreciation Expense	-	-	108,710	-	-		1,354,397
Interest expense	-	-	5,637	-	-		67,865
Total Expenses	451,790	(39,704)	405,156	4,529,056	(241,582)		1,713,071
Net Income (Loss)	(145,743)	18,650	(169,307)	305,870	305,870		1,097,602
Net UDR Activity for Operations							
Firewise	-			(5,734)			
Hazardous Tree Removal	-			(55,000)			
GM Recruiting Search	(633)			(25,128)			
Legal Expenses - Past Due Account Collections	(6,803)			(10,016)			
Net Income (Loss) with Board Approved UDR	(153,179)	18,650	(169,307)	209,992	305,870		1,097,602
Other Activity							
Net Other UDR Activity*	17,310			73,142			
AR Accrual - Prior Year Reversal	-		-	(43,985)			(16,112)
AR Accrual - Current Year	53,456		13,625	53,456			13,625
Lease Income- Library Prepaid Recognized	667			4,000			
Vacation Liability Accrual	9,478			(12,139)			
Total Other Activity	80,911		13,625	74,474			(2,487)
Grand Total Activity	(72,268)	18,650	(155,682)	284,466	305,870		1,095,115

*Prior year recoveries for operations are deposited into the Undesignated Reserve Account (UDR).

**Refer to the last footnote on the Balance Sheet (prior page) for a discussion of Accounting Standards Codification (ASC) 606 and capital dues revenue collections.

Sudden Valley Community Association
Reserve Cash Balance & Activity
12 Months Actual, 0 Months Projected

UNAUDITED

	Capital Reserve Funds						Operating Reserve Funds			
	CRRRF	Roads	CRRRF Capital Reserve Holding Cash	Board Density Reduction	Mailbox	Mitigation Assignment of Savings*	Total Capital Reserve Funds	Emergency Ops	UDR	Total Operating Reserve Funds
Net Available Cash 12/31/2023	3,627,018	2,034,275	222,019	87,688	126,445	151,528	\$ 6,248,973	362,252	306,265	\$ 668,517
Dues Received	1,339,755	1,384,878		-	24,938		2,749,570	-	111,018	111,018
Storm Water Mitigation Plan Fee		2,500					2,500			-
Investment Income	26,262	17,767	949	201	586	155	45,919	1,563	1,327	2,890
Sale of Assets	1,368			-			1,368			-
Board Approved Transfer- Marina Dock Replacement	105,600									-
Board Approved Transfer- Other Transfers	40,000						40,000			-
Mitigation Release	-	86,923				(86,923)	-			-
2024 Expenditures	(2,067,653)	(1,632,732)	(3,350)	-	-		(3,703,734)		(116,475)	(116,475)
Net Available Cash at 12/31/2024	3,072,349	1,893,611	219,618	87,889	151,970	64,760	\$ 5,490,197	363,815	302,135	\$ 665,950
0 Month Outlook										
Outlook - 2024 Dues (95% collections)	-	-			-		\$ -			\$ -
Outlook - Prior Year Collections	-	-			-		-		-	-
CRRRF Loan Payments for year 2024	-						-			-
Obligated Expenses/Holdings	(1,005,545)	(158,651)	(219,618)			(64,760)	(1,448,574)		(27,040)	(27,040)
Net Usable Cash Balance 12/31/2024	2,066,804	1,734,960	-	87,889	151,970	-	\$ 4,041,623	363,815	275,095	\$ 638,910
Board Recommended Carryover Balance	(600,000)	(500,000)					(1,100,000)			-
Net Usable Cash 12/31/2024, After Recommendation	\$ 1,466,804	\$ 1,234,960	\$ -	\$ 87,889	\$ 151,970	\$ -	\$ 2,941,623	\$ 363,815	\$ 275,095	\$ 638,910
Net Current Year Cash Increase (Decrease)	(1,560,214)	(299,315)	(222,019)	201	25,525	(151,528)	\$ (2,207,350)	1,563	(31,170)	\$ (29,607)

*Note, when mitigation period has ended, unspent funds will be returned to the source account, Roads and CRRRF.

Sudden Valley Community Association
Operations - By Department
December 1, 2024 to December 31, 2024
CURRENT MONTH

Whole \$

UNAUDITED

<u>Department</u>	<u>Actual Revenue</u>	<u>Revenue B / (W)</u>	<u>Actual Salary Benefits</u>	<u>Salary & Benefits B / (W)</u>	<u>Actual Other Expense *</u>	<u>Other Exp B / (W)*</u>	<u>Net Income / (Loss) *</u>	<u>Net B / (W)*</u>
ACC / Security	35,000	34,771	7,103	3,159	(16,483)	55,907	44,380	93,837
Accounting	2,185	952	45,257	(4,544)	3,388	5,129	(46,460)	1,537
Administration	214	99	88,183	(35,909)	21,463	(4,422)	(109,432)	(40,232)
Common Costs	6,789	3,531	-	-	34,172	(8,962)	(27,383)	(5,431)
Facilities	5,634	1,488	7,217	(1,270)	24,320	(9,753)	(25,903)	(9,535)
Maintenance	-	-	63,225	(15,710)	15,785	7,842	(79,010)	(7,868)
Subtotal	49,822	40,841	210,985	(54,274)	82,645	45,741	(243,808)	32,308
Golf	31,176	3,766	87,870	(9,848)	43,588	(19,472)	(100,282)	(25,554)
Marina	-	-	-	-	952	421	(952)	421
Rec/ Pools/ Parks	1,607	1,589	19,415	(2,519)	6,335	247	(24,143)	(683)
Subtotal	32,783	5,355	107,285	(12,367)	50,875	(18,804)	(125,377)	(25,816)
Subtotal Operations before Ops Dues	82,605	46,196	318,270	(66,641)	133,520	26,937	(369,185)	6,492
Ops Dues Earned	222,528						222,528	
Curr Yr Bad Debts Activity	914						914	
Net Ops Dues	223,442	12,158					223,442	12,158
Net Operations	306,047	58,354	318,270	(66,641)	133,520	26,937	(145,743)	18,650
Net BOD Approved UDR Activity for Operations								
Firewise	-		-		-		-	
Hazardous Tree Removal	-		-		-		-	
GM Recruiting Search	-		-		633		(633)	
Legal Expenses - Past Due Account Collections	-		-		6,803		(6,803)	
Net Operations with Board Approved UDR	306,047	58,354	318,270	(66,641)	140,956	26,937	(153,179)	18,650
Other Operating Activity								
UDR Activity	17,871				561		17,310	
AR Accrual - Prior Year Reversal	-				-		-	
AR Accrual - Current Year	53,456				-		53,456	
Lease Income- Library Prepaid Recognized	667				-		667	
Vacation Liability Accrual	-				(9,478)		9,478	
Total Other Operating Activity	71,994				(8,917)		80,911	
Grand Total Operations Activity	378,041	58,354	318,270	(66,641)	132,039	26,937	(72,268)	18,650

* Excludes Depreciation

B / (W) = Better / (Worse) Than Budget

Sudden Valley Community Association
Operations - By Department
January 1, 2024 to December 31, 2024
YEAR TO DATE

Whole \$

UNAUDITED

<u>Department</u>	<u>Actual Revenue</u>	<u>Revenue B / (W)</u>	<u>Actual Salary Benefits</u>	<u>Salary & Benefits B / (W)</u>	<u>Actual Other Expense *</u>	<u>Other Exp B / (W)*</u>	<u>Net Income / (Loss) *</u>	<u>Net B / (W)*</u>
ACC / Security	326,156	248,406	7,103	84,389	551,230	(170,810)	(232,177)	161,985
Accounting	27,109	(14,391)	369,716	(6,651)	90,125	(14,024)	(432,732)	(35,066)
Administration	6,438	4,238	489,106	(23,315)	145,188	(28,583)	(627,856)	(47,660)
Common Costs	50,534	11,434	-	-	484,466	(118,951)	(433,932)	(107,517)
Facilities	86,769	13,017	50,302	3,851	156,258	45,192	(119,791)	62,060
Maintenance	-	-	413,376	(1,291)	99,328	41,909	(512,704)	40,618
Subtotal	497,006	262,704	1,329,603	56,983	1,526,595	(245,267)	(2,359,192)	74,420
Golf	1,424,436	134,286	818,914	30,351	445,684	(69,256)	159,838	95,381
Marina	248,110	50,390	-	-	14,384	3,386	233,726	53,776
Rec/ Pools/ Parks	47,577	17,677	259,115	(4,975)	134,761	(12,804)	(346,299)	(102)
Subtotal	1,720,123	202,353	1,078,029	25,376	594,829	(78,674)	47,265	149,055
Subtotal Operations before Ops Dues	2,217,129	465,057	2,407,632	82,359	2,121,424	(323,941)	(2,311,927)	223,475
Ops Dues Earned	2,672,588						2,672,588	
Curr Yr Bad Debts Activity	(54,791)						(54,791)	
Net Ops Dues	<u>2,617,797</u>	<u>82,395</u>					<u>2,617,797</u>	<u>82,395</u>
Net Operations	<u>4,834,926</u>	<u>547,452</u>	<u>2,407,632</u>	<u>82,359</u>	<u>2,121,424</u>	<u>(323,941)</u>	<u>305,870</u>	<u>305,870</u>
Net BOD Approved UDR Activity for Operations								
Firewise	-		-		5,734		(5,734)	
Hazardous Tree Removal	-		-		55,000		(55,000)	
GM Recruiting Search	-		-		25,128		(25,128)	
Legal Expenses - Past Due Account Collections	-		-		10,016		(10,016)	
Net Operations with Board Approved UDR	<u>4,834,926</u>	<u>547,452</u>	<u>2,407,632</u>	<u>82,359</u>	<u>2,217,302</u>	<u>(323,941)</u>	<u>209,992</u>	<u>305,870</u>
Other Operating Activity								
UDR Activity	93,588				20,446		73,142	
AR Accrual - Prior Year Reversal	(43,985)				-		(43,985)	
AR Accrual - Current Year	53,456				-		53,456	
Lease Income- Library Prepaid Recognized	4,000				-		4,000	
Vacation Liability Accrual	-				12,139		(12,139)	
Total Other Operating Activity	<u>107,059</u>				<u>32,585</u>		<u>74,474</u>	
Grand Total Operations Activity	<u>4,941,985</u>	<u>547,452</u>	<u>2,407,632</u>	<u>82,359</u>	<u>2,249,887</u>	<u>(323,941)</u>	<u>284,466</u>	<u>305,870</u>

* Excludes Depreciation

B / (W) = Better / (Worse) Than Budget

SUDDEN VALLEY COMMUNITY ASSOCIATION - LOTS & DUES ANALYSIS 2024

	SVCA Owned Lots																											LLE & CTB	Dues Exempt	Total Non Billable Lots	Total All Lots		
	Actual Year Prepaid			Actual Current			Actual 1 Mth Due		Actual 2 Mth Due		Actual 3 Mth Due		Actual 4+ Mth Due		Pmt Plans		Total Prepaid & Current			Total Not Current			Total Billable Lots			Restricted						Total	
	Vac	Dev	Total	Vac	Dev	Total	Vac	Dev	Vac	Dev	Vac	Dev	Vac	Dev	Vac	Dev	Vac	Dev	Total	Vac	Dev	Total	Vac	Dev	Total	Perm	WD10						Avail.
Jan	20	96	116	301	2,517	2,818	24	62	5	13	1	11	16	40	1	14	321	2,613	2,934	47	140	187	368	2,753	3,121	774	0	3	777	737	6	1,520	4,641
Feb	22	104	126	303	2,508	2,811	14	59	10	22	3	6	15	42	1	12	325	2,612	2,937	43	141	184	368	2,753	3,121	774	0	3	777	737	6	1,520	4,641
Mar	23	114	137	307	2,510	2,817	11	57	4	9	4	7	17	44	1	12	330	2,624	2,954	37	129	166	367	2,753	3,120	774	0	3	777	738	6	1,521	4,641
Apr	27	121	148	308	2,532	2,840	5	31	4	13	1	4	21	38	1	14	335	2,653	2,988	32	100	132	367	2,753	3,120	774	0	3	777	738	6	1,521	4,641
May	28	123	151	304	2,508	2,812	13	58	3	11	0	6	18	34	1	13	332	2,631	2,963	35	122	157	367	2,753	3,120	774	0	3	777	738	6	1,521	4,641
Jun	29	136	165	293	2,482	2,775	17	65	9	17	1	5	16	37	2	11	322	2,618	2,940	45	135	180	367	2,753	3,120	774	0	3	777	738	6	1,521	4,641
Jul	31	152	183	293	2,476	2,769	11	51	7	15	7	10	16	35	2	14	324	2,628	2,952	43	125	168	367	2,753	3,120	774	0	3	777	738	6	1,521	4,641
Aug	31	169	200	293	2,436	2,729	8	79	4	10	6	9	22	37	2	14	324	2,605	2,929	42	149	191	366	2,754	3,120	774	0	3	777	738	6	1,521	4,641
Sep	34	201	235	290	2,427	2,717	11	58	0	14	4	6	24	35	2	13	324	2,628	2,952	41	126	167	365	2,754	3,119	774	0	3	777	739	6	1,522	4,641
Oct	51	298	349	281	2,350	2,631	6	53	2	4	0	6	23	31	2	12	332	2,648	2,980	33	106	139	365	2,754	3,119	774	0	3	777	739	6	1,522	4,641
Nov	108	728	836	218	1,904	2,122	9	55	4	20	2	2	21	33	3	12	326	2,632	2,958	39	122	161	365	2,754	3,119	774	0	3	777	739	6	1,522	4,641
Dec	2	48	50	329	2,579	2,908	5	52	5	20	1	11	20	36	3	8	331	2,627	2,958	34	127	161	365	2,754	3,119	774	0	3	777	739	6	1,522	4,641

LLE = Lot Line Eraser
 CTB = Covenant to Bind

Sudden Valley Community Association - Capital Project Report											
CRRRF Projects Open in 2024											
Updated as of 12/31/2024											
BOARD APPROVED PROJECT											
BUDGETED											
Cost Manager	Approval Date	GL	Project Name	Fund	Status	Board Approved	Total Invoiced	Acctg Funds Obligated			
Turf Manager	1/23/20	9719.18	Trim Mower- Turf	CRRRF	Open	●	44,050	38,861	5,189	LE	
Turf Manager	1/23/20	9719.19	Utility Vehicles	CRRRF	Open	●	104,248	101,223	3,025	LE	
GM	3/12/2020 & 5/25/23 & 9/14/23	9719.20	Marina Dock Replacement	CRRRF	Open	●	169,049	163,037	6,012		
Golf Director	11/5/20	9721.01	Golf Cart Fleet	CRRRF	Open	●	183,900	144,255	39,645	LE	
GM	6/9/22 & 12/14/23	9722.05	Rekeying of Facilities	CRRRF	Closed	●	31,494	31,494	-		
Maint Manager	10/27/22 & 10/12/23 & 8/22/24	9722.08	Area Z Maintenance Facility Remodel	CRRRF	Open	●	503,898	496,972	6,926		
GM	10/27/22 & 9/28/23 & 11/2/23	9722.09	Barn 8 Refurbishment	CRRRF	Open	●	824,530	165,485	659,045		
GM	1/26/23 & 4/13/23	9723.03	Playground ADA Improvements	CRRRF	Open	●	107,867	107,775	92		
GM	1/12/23 & 4/25/24	9723.04	Austin Creek Repair	CRRRF	Closed	●	32,571	9,703	-		
GM	3/9/23 & 3/14/24 & 7/11/24 & 10/24/24	9723.05	Tennis Court Resurfacing & Fencing	CRRRF	Closed	●	349,118	349,118	-		
GM	3/9/23	9723.07	Website Improvements	CRRRF	Open	●	10,483	5,605	4,878		
Turf Manager	5/11/23	9723.11	Golf Course Irrigation System Control Panel	CRRRF	Open	●	44,981	43,671	1,310		
GM	5/25/23	9723.13	Area Z Tall Barn Refurbishment	CRRRF	Open	●	59,475	59,180	295		
Maint Manager	10/12/23	9723.16	Maintenance Shop Generator	CRRRF	Closed	●	16,290	16,290	-		
Golf Director	12/14/23	9723.17	10 Additional Golf Carts Lease	CRRRF	Open	●	81,600	10,657	70,943	LE	
Maint Manager	1/25/24	9724.01	Turf Building Remodel-HVAC	CRRRF	Closed	●	9,009	9,009	-		
Maint Manager	1/25/24	9724.012	Turf Building Remodel-Permit/Design	CRRRF	Open	●	9,755	7,947	1,808		
GM	1/25/24	9724.02	Asphalt Cart Path Repairs	CRRRF	Closed	●	54,080	54,080	-		
Maint Manager	1/25/24	9724.03	Fleet Replacement OP-1 & OP-12	CRRRF	Open	●	90,480	88,525	1,955		
Turf Manager	2/22/24	9724.04	Kubota M5660SUHD Tractor	CRRRF	Closed	●	50,937	50,937	-		
Turf Manager	2/22/24	9724.05	Sand Trap Rake	CRRRF	Closed	●	32,579	32,579	-		
Maint Manager	2/22/24	9724.06	Club House HVAC 20 Ton Design/permitting	CRRRF	Open	●	22,176	13,275	8,901		
Maint Manager	4/25/24 & 7/25/24	9724.07	Adult Center Furnace & Water Heater Replacement	CRRRF	Open	●	42,422	38,490	3,932		
Maint Manager	5/23/24	9724.08	Adult Center Painting/Clubhouse Painting & Deck Coat	CRRRF	Closed	●	40,867	40,867	-		
Maint Manager	7/25/24	9724.09	Fencing (Adult Cntr/Area Z/Turfcare) & Area Z RV Storage	CRRRF	Open	●	71,851	69,243	2,608		
Turf Manager	7/25/24	9724.10	John Deere ProGator 2030A	CRRRF	Closed	●	52,093	52,093	-		
Turf Manager	9/26/24	9724.11	#2 Golf Bridge Repair	CRRRF	Open	●	25,460	23,791	1,669		
GM	12/12/24	8003	Hazardous Tree Removal - November Storm Response	CRRRF	Open	●	251,424	64,113	187,311		
Open Projects Total, CRRRF						\$	3,316,688	\$	2,288,275	\$	1,005,545
		LE	These line items represent five-year finance leases, which means the obligated costs will be spread out over five-year periods.								

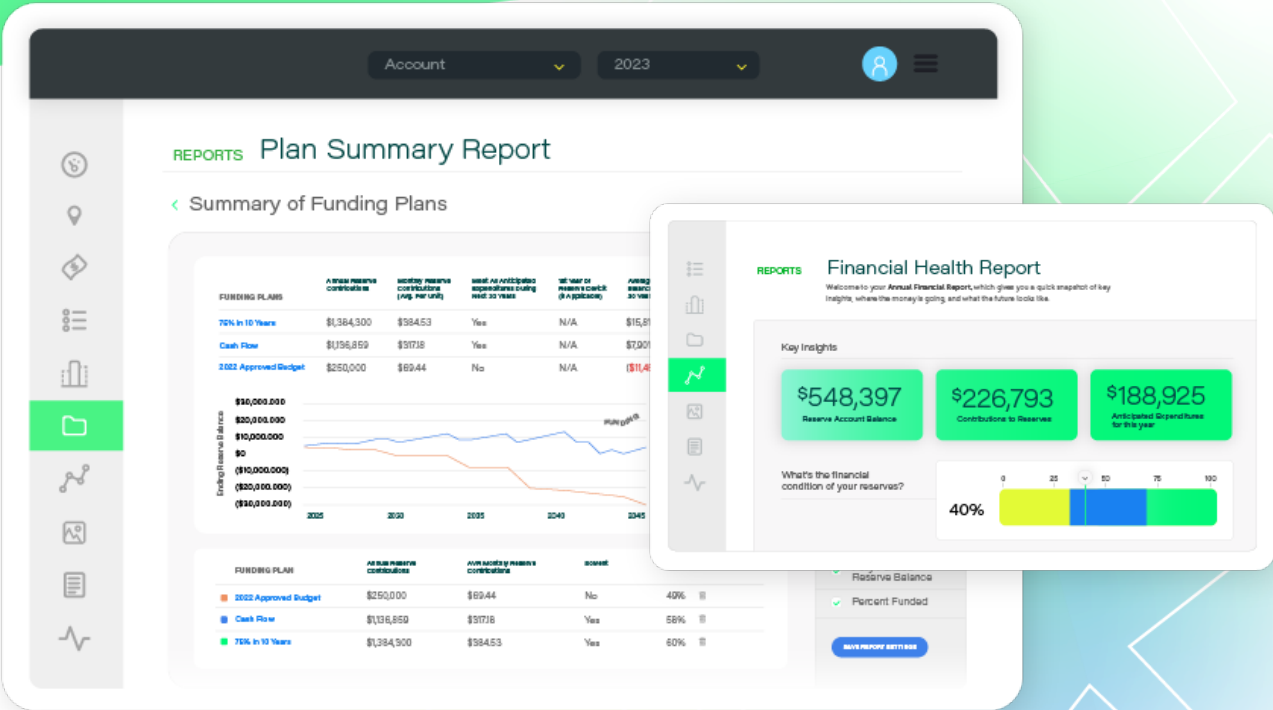
Sudden Valley Community Association - Capital Project Report

Roads Projects Open in 2024

Updated as of **12/31/2024**

							A	B	A-B	
BOARD APPROVED PROJECT							BUDGETED			
Cost Manager	Approval Date	GL	Project Name	Fund	Status		Board Approved	Total Invoiced	Acctg Funds Obligated	
GM	3/25/21	9921.03	2021 Southern Court Stabilization & Asphalt Repairs	ROADS	Closed	●	189,271	189,271	-	
GM	10/13/22 & 2/22/24	9922.8	Cold Spring Drainage Repair	ROADS	Open	●	65,596	65,309	287	
GM	2/9/23	9923.1	10 Year Capital Roads & Drainage Improvement Plan	ROADS	Closed	●	132,350	132,348	-	
GM	4/27/23	9923.3	2023 Roads On-Call Engineering	ROADS	Closed	●	40,000	39,995	-	
GM	5/11/23	9923.41 & 9923.412	2023 Street Sign Replacement	ROADS	Open	●	31,084	30,536	548	
GM	5/11/23 & 6/8/23	9923.42	2023 Street Pavement Markings	ROADS	Open	●	31,803	26,259	5,544	
GM	8/10/23	9923.5	2024 Road & Drainage Design - Permitting	ROADS	Closed	●	36,619	36,619	-	
Maint Manager	2/22/24	9924.1	2024 Fast Response Drainage Issues	ROADS	Open	●	88,400	51,261	37,139	
GM	2/22/24	9924.2	2024 On- Call Engineering	ROADS	Open	●	41,600	38,253	3,347	
GM	2/22/24	9924.3	2024 Potholes & Minor Road Repairs	ROADS	Open	●	36,400	33,378	3,022	
GM	2/22/24 & 4/25/24 & 9/5/24	9924.4	2024 Deer Run Lane & SVCA Culvert Replacements	ROADS	Closed	●	984,779	984,776	-	
GM	2/22/24	9924.5	2024 Renewal of 5-yr programmatic Permits	ROADS	Open	●	30,000	9,384	20,616	
GM	2/22/24	9924.6	2024 Area Z Access Bridge Design/permitting & Culv	ROADS	Open	●	131,004	45,214	85,790	
GM	2/22/24	9924.9	2024 Bi-Annual Bridge Inspections	ROADS	Closed	●	5,561	5,561	-	
GM	12/12/24	8004	Roadside Tree Removal - November Storm Response	ROADS	Open	●	228,131	226,697	1,434	
Subtotal Roads Open Projects								\$ 2,072,598	\$ 1,914,861	\$ 157,727
Maint Manager	2/22/24	9924.7	2024 CVC Supplies & Outside Contractor	ROADS	Open	●	59,520	68,292	(8,772) A	
Maint Manager	2/22/24	9924.72	2024 CVC Wages, Taxes, & Benefits	ROADS	Open	●	65,800	56,104	9,696 A	
Subtotal 2024 Roads CVC Project								\$ 125,320	\$ 124,396	\$ 924
Open Project Totals, Roads								\$ 2,197,918	\$ 2,039,257	\$ 158,651
		A	9924.7 and 9924.72 are the same project.							

Sudden Valley Community Association - Capital Project Report									
UDR Projects Open in 2024									
Updated as of 12/31/2024									
BOARD APPROVED PROJECT									
Cost Manager	Approval Date	GL	Project Name	Fund	Status	BUDGETED		A-B	
						Board Approved	Total Invoiced	Acctg Funds Obligated	
GM	12/19/16	9902	Area Z Mitigation	UDR	Open	●	186,290	179,053	7,237
GM	4/13/23	9623	Firewise	UDR	Open	●	4,000	12,457	(8,457) A
GM	4/13/23	9623.02	Firewise Wages, Taxes, & Benefits	UDR	Open	●	27,600	17,046	10,554 A
			Total Firewise				\$ 31,600	\$ 29,503	\$ 2,097
GM	3/28/24	9624.01	2024 Hazardous Tree Removal	UDR	Closed	●	55,000	55,000	-
GM	6/13/24	9624.02	2024 GM Search	UDR	Open	●	32,850	25,128	7,722
GM	5/23/24 & 8/8/24	9624.03	2024 Accounting Manager Funding	UDR	Closed	●	45,000	-	-
GM	8/22/24	9624.04	Legal Exp. for Past Due Accts Collections	UDR	Open	●	20,000	10,016	9,984
GM	12/12/24	9624.05	Roadside Tree Removal - November Storm Response	UDR	Closed	●	-	-	- B
			Open Project Totals, UDR				\$ 370,740	\$ 298,700	\$ 27,040
		A	9623 and 9623.02 are the same project.						
		B	The Board ratified the Executive Team's decision to obligate \$95,000 for Roadside Tree Removal, and then also additionally voted to deobligate this same amount during the same Board meeting on 12/12/2024. This \$95,000 UDR amount that was initially ratified was then shortly voted later to be utilized from the approved Roads Project# 8004 instead, which was also approved by the Board on 12/12/2024.						



Reserve Study Proposal

PREPARED FOR

Sudden Valley Community Association
c/o Nicki Bailey

4 Clubhouse Circle
Bellingham, WA 98229

PREPARED ON
2025-01-21

EXPIRES ON
2025-03-22

PREPARED FOR

Sudden Valley Community Association
c/o Nicki Bailey

4 Clubhouse Circle

Bellingham, WA 98229

PREPARED ON

2025-01-21

EXPIRES ON

2025-03-22

Full Reserve Study + Pro Plan

\$9,970

SmartProperty access with Onsite Inspection

- ✓ SmartProperty Pro Plan software includes:
 - Component inventory control
 - Preventative maintenance module
 - Detailed photo, geo-tracking & file management system
 - Capital planning & analysis tools
 - Project management tools
 - Reports
 - User settings
- ✓ Detailed on-site inspection, analysis includes component quantifications and measurements
- ✓ On-site reserve study (Complies with CAI Reserve Study Specialist standards)

SmartProperty Features & Benefits



INVENTORY CONTROL

Manage components and update maintenance and replacements in real time.

Convert your reserve study to a living document.



CAPITAL PLANNING & ANALYSIS

Develop and manage funding plans integrating your reserves with your actuals.

Create what-if scenarios in your personal sandbox for budget planning.

Virtually eliminate surprise special assessments and loans.



PROJECT MANAGEMENT TOOLS

Create and track projects by phase and status. Add components from inventory to track budgeting. Track progress payments at every level of the project.

Gain visibility and tracking to projects to prevent missed billings and dropped balls.



REPORTING

Our Financial Health reports allow you to instantly pinpoint if or when your current reserve savings will fail. Multiple filters and export options reporting on every module give flexibility for your data.

Add the financial health report to your financials to give insight into reserve funding.



ACCESS CONTROLS

Invite key personnel so the whole team has visibility into your capital plan. Manage access with user rights to control what actions users can take, and what they see. Track user changes for auditing purposes.

Put the Board and Management Team on the same level to make it easier to carry out the community's long-term plan.

Contract Terms

- a. Work will commence upon receipt of retainer payment and preliminary information requested. If SmartProperty does not receive preliminary information within 120 days of signature, this proposal is void.
- b. Up to two hours of software training included. We may charge a separate fee for board meeting attendance. Reserve analyst services beyond the original scope of work, may be purchased with a service fee of \$150/hour. Support and training services may be purchased at a fee of \$125/hour with a minimum two hour requirement. Reserve analyst services beyond the original scope of work (outlined on page 2) may be purchased with a service fee of \$150/hour.

A conference call or Zoom meeting with board members and/or the manager for the purpose of reviewing the draft reserve study is limited to one hour and provided at no charge.

Services available upon request:

- o Additional meetings to collaborate with managers and/or board members.
 - o Attendance at a Board meeting either in-person or virtually.
 - o Software training/support services (2-hour min.)
 - o Zoom sessions for in-depth, specific training, such as capital planning scenarios.
 - o Software training for additional users or support staff (2-hour min.)
- c. When a full on-site reserve study is purchased, a full payment for inspection services is due 30 days after the completion of inspection.
 - d. Full payments for the Pro Plan are due within 30 days of the signed agreement.
 - e. Pro plans include up to 100 components (defined as a single line item that is being tracked for asset management.) The number may be estimated at contract signing but is subject to change upon the completion of a reserve study for the property.
 - f. Customer will be charged a \$30 processing fee for returned checks. Delinquent balances will bear interest from the invoice date at 1.5% per month, or the maximum rate allowed by law, whichever lower. Customer will pay all costs and expenses of collection (including attorneys fees).
 - g. Pro plans require an annual commitment. The contract is recurring unless terminated. Notification of termination must be sent 30 days prior to contract renewal.
 - h. SmartProperty may employ suitably trained subcontractors and services providers to perform the services. Customer will provide SmartProperty and its employees, consultants, service providers, and subcontractors with entry to subject property(ies). The maximum liability of SmartProperty and its affiliates, subcontractors, service providers, and suppliers, and their employees and directors

(collectively, “SmartProperty Providers”) for damages relating to the services shall be limited to the fees paid for the service or work product giving rise to liability. In no event will the SmartProperty Providers be liable to customer for any consequential, incidental, indirect, punitive or special damages in connection with claims arising out of or related to the services, including any amount for loss of profit, data or goodwill, whether or not the likelihood of such loss or damage was contemplated.

- i. Customer will indemnify and hold harmless the SmartProperty Providers for any time expended, expenses (including reasonable legal fees and costs), costs and/or losses incurred in connection with any lawsuit or other legal or regulatory action or proceeding involving or relating to the services under this letter, whether or not such costs or losses are due to the negligence of SmartProperty, provided that such indemnification shall not apply where such expenses or losses are determined to have been caused by SmartProperty Provider’s gross negligence or willful misconduct.
- j. The Service Term will begin upon the Effective Date of this Contract and continue for 1 year thereafter. Such term will automatically renew as set forth in the Terms and Conditions.
 1. Term and Termination. Each Order Form will commence on its execution by the parties and unless terminated earlier in accordance with its terms will remain in force and effect for the Service Term set forth therein (“Initial Service Term”). Unless otherwise stated in the applicable Order Form, the Service Term will automatically renew for consecutive periods of the same duration as the Initial Service Term (each, a “Renewal Term”) unless either party provides at least 30 days written notice of non-renewal to the other party. Additionally, any reductions in your subscription should also be made 30 days prior to renewal. Unless otherwise stated in the applicable Order Form, the fees applicable to any Renewal Term will be (a) as notified by SmartProperty to Customer (by email, through the Service, or otherwise) no less than 45 days prior to the conclusion of the then-current term or (b) if no such fee notice is provided by SmartProperty, then fees charged by SmartProperty in its then-current price list. An Order Form will terminate in the event of breach of a material term of this Agreement by a party 30 days after written notice of such breach by the other party, unless the breaching party cures such breach within such period. Either party may terminate an Order Form immediately upon written notice in the event the other party (i) becomes insolvent or files or has filed against it a petition in bankruptcy (which is not dismissed within 30 calendar days after it is filed); (ii) makes an assignment for the benefit of creditors; or (iii) dissolves or ceases to do business in the ordinary course.
- k. SmartProperty, Inc. and its service providers use the SmartProperty Software Application when providing the services. By purchasing the services or using such software application, you agree to the SmartProperty Software Terms of Service found at smartproperty.com/terms.
- l. Software Products will auto-renew at the then market rate at time of renewal.
- m. For cancellations prior to the end of the Service Term, any remaining Service Term balance will be due in full immediately. No refunds will be accepted or processed.
- n. A \$500 fee will be applied to accounts that terminate the contract and need to be reactivated.

Contract Approval

Sudden Valley Community Association

c/o Nicki Bailey

4 Clubhouse Circle

Bellingham, WA 98229

SELECT OPTIONS

Initial Report to be Completed (check one):

- Within 10 weeks (included) RUSH – Delivery in 4 weeks
(Additional Fee = 15% of project)

Plan	Price
Full Reserve Study with onsite inspection	\$ 9,970.00

Total Contract Value \$ 9,970.00

- I agree to the terms and conditions and total contract amount set forth in this agreement.

Authorized Signature

Signature Date

CORPORATE RESOLUTIONS FOR ASSOCIATION SIGNING AUTHORITY

The undersigned officer(s) of Sudden Valley Community Association, a Washington non-profit corporation, hereby certify that the following resolutions have been adopted by the Board of Directors ("Board"):

RESOLVED, that the Board is hereby authorized and approved to authorize and empower the following individuals to make, execute, endorse, and deliver in the name of and on behalf of the Corporation, but shall not be limited to, any and all written instruments, agreements, documents, execution of deeds, powers of attorney, transfers, assignments, contracts, obligations, certificates, checks, drafts, promissory notes, and other instruments of whatever nature entered into by this Corporation.

FURTHER RESOLVED, that the Board is hereby authorized and approved to authorize and empower the following individuals as signatories on all Corporation bank accounts held at all financial institutions.

FURTHER RESOLVED, that the Board is hereby authorized and approved to authorize that all other signing authority resolutions are superseded by this resolution.

Name: Keith McLean

Title: President

Name: Taimi Van De Polder

Title: Vice President

Name: Rickland Asai

Title: Treasurer

Name: Linda Bradley

Title: Secretary

[SIGNATURE PAGE TO FOLLOW]

IT IS HEREBY CERTIFIED that the foregoing resolutions were duly adopted at a meeting of the Board held in accordance with the Governing Documents and applicable law. It is further certified that the Board has full power and authority to bind the Corporation in accordance herewith and that the foregoing resolutions are in full force and effect as of this date, that the resolutions have not been altered, amended, modified or rescinded, and that the same shall be true, valid and binding upon the Corporation.

Sudden Valley Community Association, a Washington non-profit corporation

By:

Keith R. McLean, President

By:

Taimi S. Van De Polder, Vice President

By:

Rickland G. Asai, Treasurer

By:

Linda A. Bradley, Secretary

February 5, 2025

Joel Heverling
Sudden Valley Community Association
acctmgr@suddenvalley.com

Dear Joel Heverling,

Thank you for selecting Larson Gross Advisors, LLC (the Firm) to prepare the 2024 entity tax return for Sudden Valley Community Association. We appreciate the opportunity to provide these services to you.

Effective December 19, 2024, Larson Gross PLLC restructured to form an alternative practice structure in accordance with the AICPA Code of Conduct and applicable laws, regulations and professional standards. The restructuring included the formation of a new entity, Larson Gross Assurance, PLLC ("LG CPA") and rebranding of Larson Gross PLLC to Larson Gross Advisors, LLC ("LG Advisors"). Our attest practice will be conducted through LG CPA with our nonattest practice including tax, consulting and other services conducted through LG Advisors. Accordingly, any existing agreement letter or services between you and Larson Gross PLLC for nonattest services is assigned to LG Advisors. LG CPA is a licensed CPA firm. LG Advisors is not a licensed CPA firm.

Information may be shared with affiliated entities of LG Advisors to assist in the administration of our practice and monitor compliance with applicable independence rules. LG CPA and LG Advisors both continue to acknowledge responsibility for your information and shall comply with the AICPA Code of Professional Conduct, as applied to an alternative practice structure and applicable federal, state and local rules with respect to the confidentiality of client information. In accordance with the AICPA Code of Professional Conduct and applicable federal, state and local rules, LG CPA and LG Advisors (and its subsidiaries) will not disclose confidential client information without client consent, except (i) to any government agency or regulatory body to the extent and in the form or manner necessary or required to comply with any rule, regulation or order of such government agency or regulatory order, or (ii) pursuant to subpoena or other legal process. LG CPA and LG Advisors (and its subsidiaries) utilize appropriate safeguards, policies and procedures to maintain the confidentiality of confidential client information.

Scope and Limitations

This agreement letter confirms the agreement between us regarding how we will work together to plan for and prepare the applicable U.S. income tax return(s) as well as any State income tax return(s) we determine to be required based on the information you provide to us. The attached *Terms and Conditions for Tax Services*, which is fully incorporated by reference into this Agreement Letter, describe the terms and conditions by which we agree to provide tax planning and preparation services.

This letter only covers tax planning and return preparation services as described above. Any other services we may agree to provide you will be treated as separate and distinct engagements subject to their own terms and conditions in a separate agreement letter. If you would like to discuss any other services, please contact us.

Taxpayer Responsibilities

You are responsible for providing us with timely, complete, and accurate information to enable us to prepare the requested tax return(s) for you to file on or before the deadline(s). You are also responsible for responding to questions that arise as we prepare the requested tax return(s).

This Agreement Letter must be reviewed by the individual responsible for the tax matters of the entity(ies) listed. By signing the next page, the individual responsible for the tax matters (or designee) affirms acceptance that this letter and the enclosed *Terms and Conditions for Tax Services* accurately describes our service agreement.

As of January 1, 2024, many companies in the United States are required to report information to the Financial Crimes Enforcement Network (FinCEN) on their beneficial owners, i.e., the individuals who ultimately own or control the company. FinCEN is a bureau of the U.S. Department of the Treasury. We will NOT be preparing or submitting this information on behalf of companies. Go to <https://www.fincen.gov/boi> for more information and to complete your filing requirement.

Fees

Our fees for the services described above are based on the value of the services performed and the time required by the individuals assigned to the engagement plus direct expenses. Interim billings may be submitted as work progresses and as expenses are incurred. Depending on the size and expected complexity of the scope of work, a retainer may be requested. Each invoice is payable upon receipt.

Thank you again for the opportunity to serve you. Larson Gross Advisors, LLC is committed to providing you the level of service and technical acumen that you deserve. We look forward to making your tax return filing as stress-free and efficient as possible.

Sincerely,

Larson Gross Advisors, LLC

Acknowledged & Agreed

I agree that this letter and the enclosed *Terms and Conditions for Tax Services*, which is fully incorporated by reference, correctly describe the terms and conditions under which Larson Gross Advisors, LLC agrees to perform services as well as the scope and the limitations of the services requested by me/us from your Firm.

Joel Heverling

Name of individual responsible for tax matters

Signature

Date

Disclosure Required by Revenue Procedure 2013-14

Federal law requires this consent form be provided to you. Unless authorized by law, we cannot disclose your tax return information to third parties for purposes other than the preparation and filing of your tax return without your consent. If you consent to the disclosure of your tax return information, Federal law may not protect your tax return information from further use or distribution.

You are not required to complete this form. Because our ability to disclose your tax return information to another tax return preparer affects the tax return preparation service(s) that we provide to you and its (their) cost, Larson Gross Advisors, LLC and its affiliated entities (collectively, Larson Gross) may decline to provide you with tax return preparation services or change the terms (including the cost) of the tax return preparation services that we provide to you if you do not sign this form. If you agree to the disclosure of your tax return information, your consent is valid for the amount of time that you specify. If you do not specify the duration of your consent, your consent is valid for one year from the date of signature.

This consent to disclose may result in your tax return information being disclosed to a tax return preparer located outside the United States, including your personally identifiable information such as your Social Security Number ("SSN"). Both the tax return preparer in the United States that will disclose your SSN and the tax return preparer located outside the United States that will receive your SSN maintain an adequate data protection safeguard (as required by the regulations under 26 U.S.C. Section 7216) to protect privacy and prevent unauthorized access of tax return information. If you consent to the disclosure of your tax return information, Federal agencies may not be able to enforce US laws that protect the privacy of your tax return information against a tax return preparer located outside of the US to which the information is disclosed.

If you agree to allow Larson Gross to disclose your tax return information, including your SSN, to team members located outside of the United States for purposes of providing assistance in the preparation of the 2024 entity income tax return, please check the corresponding box below, provide the information requested below, and sign and date your consent to the disclosure of your tax return information.

Taxpayer Consent **ACCEPTED** **DECLINED**

Signature

Joel Heverling

Name

Date

If you believe your tax return information has been disclosed or used improperly in a manner unauthorized by law or without your permission, you may contact the Treasury Inspector General for Tax Administration (TIGTA) by telephone at 1-800-366-4484, or by email at complaints@tigta.treas.gov.

Terms and Conditions for Tax Services

Any references in this terms and conditions to the "Code" refer to the U.S. Internal Revenue Code of 1986 as amended and related regulations as applicable.

Scope of Our Tax Return Preparation Services

Purpose and Use of Tax Returns

Due to their special purpose, nature and format, income tax returns do not constitute financial statements prepared in accordance with Generally Accepted Accounting Principles (GAAP). Tax returns should be used only for income tax purposes and should not be used as a substitute for financial statements. Tax return preparation services do not constitute accounting or auditing services and are not designed to disclose misappropriations or other irregularities should any exist.

Annual Income Tax Planning and Return Preparation Services

Our services under this Agreement Letter will be limited to annual tax planning and preparing your income tax return(s) as requested by you. Tax planning is dependent upon the timeliness, accuracy and completeness of the information and representations that we receive from you, as well as your stated intended use of the tax projections and advice. Therefore, providing us with untimely, inaccurate, or incomplete information or representations may result in inaccurate findings or inappropriate recommendations, and critical recommendations may not be identified. During the course of preparing the tax returns identified above, we may also bring to your attention additional potential tax savings strategies for you to consider as a possible means of reducing your taxes in subsequent tax years. However, we have no responsibility to do so, and will take no action with respect to such recommendations unless directed by you, as the responsibility for implementation remains with you, the taxpayer. Our tax planning and preparation services will be performed in accordance with the AICPA's Statements on Standards for Tax Services.

Other Tax Services

This Agreement Letter covers the work we perform to prepare your annual income tax returns. However, this Agreement Letter does not cover additional Tax Services you may engage us to perform such as the preparation of tax projections, schedules or analysis of a particular transaction, state tax nexus analysis, representation before a taxing authority, etc. Any additional Tax Services you request us to provide will be handled separately as its own distinct engagement.

Your Responsibility for Accurate and Timely Filing

To meet the IRS or any state/local agency deadline and to ensure our ability to provide timely service, we must receive all information necessary for the preparation of your tax return(s) at least 30 days prior to the filing deadline.

It is critical that you cooperate with us fully and provide all information we request on a timely basis. We also require that you designate for us a person authorized to make or obtain all management decisions with respect to our services.

We will rely in good faith on all information and decisions communicated by you to us. We also will not be responsible for any loss to you resulting from our reliance on you, the information you provide to us, or your representation that you have given us all information required to prepare an accurate tax return. Any failure to fulfill your responsibilities will be grounds for our suspending or terminating our services.

In addition, the law provides various penalties that may be imposed when a taxpayer understates his or her tax liability. You agree and understand that the understatement of tax liability and any imposed interest or penalties are your sole responsibility, not the responsibility of our Firm.

We will exercise professional care to include all required information in your tax returns. However, U.S. law requires that each taxpayer take responsibility for the accuracy of his or her own return. By signing your return, you are verifying, to the best of your knowledge, that it is true, accurate and complete. As such, you agree you will review each tax return carefully before signing it and bring any questionable items or omissions to our attention before the tax return is filed.

Tax Authorities

We may encounter instances where the tax law is unclear, or where there may be conflicts between the taxing authorities' interpretations of the law and other supportable positions. In those instances, we will outline for you each of the reasonable alternative courses of action, including the risks and consequences of each such alternative. In the end, we will adopt, on your behalf, the alternative which you select after having considered the information provided by us, provided the position(s) satisfy the substantial authority standard.

Seeking an Extension to the Filing Deadline

If for any reason you are unable to provide us with the information needed to prepare your tax return(s) at least 30 days prior to the filing deadline, it may be necessary to seek an extension of the time for filing (if available). If a filing extension is sought, any tax due with the return must be paid by the original due date. Any amounts not paid by the original filing deadline may be subject to interest and late payment penalties.

Financial Statement Information

If you engage Larson Gross Assurance, PLLC to provide Assurance Services, you authorize Larson Gross Advisors, LLC to use or share this information in performing Tax Return Preparation Services for you. Assurance Services may include, among other things, preparation of Audited, Reviewed, Compiled, or Preparation Only Financial Statements.

Foreign Filing and Foreign Assets

As part of your filing obligations, you are required to report the maximum value of specified foreign financial assets, which include financial accounts with foreign institutions and certain other foreign non-account investment assets that exceed certain thresholds. You are responsible for informing us of all foreign assets, so we may properly advise you regarding your filing obligations. These assets include any ownership interests you directly or indirectly hold in businesses located in a foreign country, and any assets or financial accounts located in a foreign country over which you have signature authority.

Documents and Files

We will deliver to you the final tax return(s) we prepare for you under this Agreement Letter. We also will return to you all original documents that you provided to us in connection with our services but may retain copies of these documents for our files.

All contents of our files, apart from the final tax return, are the exclusive property of Larson Gross Advisors, LLC, and we retain all copyrights and intellectual property rights with respect to our work. We, in our sole discretion, may provide you with access to, or copies of our files, but we may require you to pay the costs associated with such access.

Record Retention

It is our policy to retain engagement documentation for a period of seven years, after which time we will commence the process of destroying the contents of our engagement files.

Employment Discussions

You agree to inform the signer of your return before entering into any substantive employment discussions with any of our personnel. You agree to compensate us a fee equal to 30% of the employee's annual compensation package if you employ one of our contractors or employees within 12 months of that individual ending employment with Larson Gross Advisors, LLC.

Government Inquiries

This engagement does not include responding to inquiries by any governmental agency or tax authority. If your tax return is selected for examination or audit, you may request our assistance in responding to such an inquiry. If you ask us to represent you, and we agree to represent you, we will confirm this engagement in a separate agreement.

No Legal or Investment Advice

Our services under the Agreement Letter do not include legal or investment advice.

IRS Power of Attorney

If you have submitted a valid IRS power of attorney with us named as representative, we are able to represent you in tax matters before the IRS and research your IRS account to help you understand a notice. You remain responsible for all tax notices sent to you by the IRS unless you separately engage us to respond.

General Business Terms & Conditions

Confidential Information

We will use all reasonable and appropriate care to protect your confidential information and will not disclose it unless required by law. By signing the Agreement Letter, you authorize the disclosures described in this section.

“Confidential Information” means (i) information contained in your internal financial and business records, (ii) information reported on your tax return, and (iii) other information concerning you that is marked “confidential” or otherwise identified as “confidential” in writing at the time of disclosure. Confidential information does not include information (i) that is or becomes publicly available or generally known to persons without breach of our obligations under this section, or (ii) is received by us after the termination of the Agreement Letter.

You agree and understand we may disclose your confidential information to our employees, our subsidiaries, affiliated entities, and third-party contractors as necessary to provide our services, including without limitation, the disclosures authorized by the section titled *Amendments, Waivers and Consents*.

Document Production and Testimony

If we are authorized by you, or compelled by regulatory statute or court order, to produce any documents or files or to make our personnel or the personnel of a third party available as witnesses in any proceeding in which our Firm is not party but which relates in any way to our services to you, you agree you will reimburse us for our professional time and expenses, as well as the fees and expenses of our counsel incurred in responding to such requests.

Electronic Communications

Larson Gross Advisors, LLC puts security of information at a high priority. Unfortunately, full security of electronic information whether through email, cloud-based sharing and hosting applications, portals, data analytic tools and helpdesk / ticketing support applications cannot be ensured as, despite our efforts, the data could be infected, intercepted, or corrupted. You acknowledge this risk and agree that neither party has full control over the performance, operation, reliability, availability, or security of these electronic transmission methods. Larson Gross Advisors, LLC offers our clients various platforms to securely exchange client sensitive data, which may require additional user terms and conditions which will be made available to you prior to the use of such platform. You hereby agree that you will be bound by and comply with any and all user terms and conditions made available with respect to the platforms. If you are concerned about the security of particular information, please contact us to discuss alternative arrangements.

As emails can be intercepted and read, disclosed, or otherwise used or communicated by an unintended third party, or may not be delivered to each of the parties to whom they are directed and only to such parties, we cannot guarantee or warrant that emails from us will be properly delivered and read only by the addressee. Therefore, we specifically disclaim and waive any liability or responsibility whatsoever for interception or unintentional disclosure of emails transmitted by us in connection with the performance of this engagement. In that regard, you agree that we shall have no liability for any loss or damage to any person or entity resulting from the use of email transmissions, including any consequential, incidental, direct, indirect, or special damages, such as loss of revenues or anticipated profits, or disclosure or communication of confidential or proprietary information.

Billing

Our fees and expenses will be billed monthly or upon completion of our work unless an alternate arrangement has been confirmed in writing by all parties. There may be situations that warrant an alternative billing arrangement as a condition of our engagement. If we believe this is the case, we will discuss the situation with you.

Each invoice is payable upon receipt. If you believe that an invoice is incorrect or if you wish to dispute any invoice, you must notify us within 60 days of your receipt of the invoice. We reserve the right to charge interest at the lawful rate then in effect on any invoice that is not paid within 30 days of the invoice date.

Suspension or Termination of Services

If you fail to provide payment of our invoices on a timely basis, we reserve the right to suspend or terminate the performance of our services until your account is paid in full or you have made other payment arrangements satisfactory to us. We may also terminate this Agreement Letter upon written notice if we determine that our continued performance would result in a violation of law, regulatory requirements, applicable professional or ethical standards, or our client acceptance or retention standards.

You may terminate the Agreement Letter at any time by written notice to us. Subject to any restrictions imposed by applicable professional standards, we may terminate our services at any time upon written notice to you.

Termination for any reason by either you or our Firm will not affect your obligation to pay us for fees and expenses incurred prior to termination or any other obligation you agreed to in signing the Agreement Letter.

Survival of Agreement

Our Agreement Letter will survive the termination of our services or cancellation of the Agreement Letter, except that (i) we will not have any further obligation to provide services after termination and (ii) except as provided in the sections titled *Document Production and Testimony* and *Suspension or Termination of Services*, you will not have any obligation to pay us for any services that we perform after termination.

Amendments, Waivers and Consents

Neither these terms and conditions nor the Agreement Letter may be amended except by our mutual, written agreement.

Mediation

We believe that most disagreements can be resolved to mutual satisfaction in a friendly, non-threatening environment. While neither of us expects there to be any problems with this relationship, misunderstandings can occur. Therefore, both you and Larson Gross Advisors, LLC agree that any dispute arising under this agreement (including the scope, nature and quality of services performed, the fees charged and any other terms of this engagement) shall be submitted to mediation before either party initiates litigation of any kind against the other party.

An impartial third party acceptable to both of us shall be appointed to mediate. Both you and we shall pay an equal percentage of the mediator's fees and expenses. The mediation shall be confidential in all respects as allowed or required by law.

Choice of Law and Venue

This agreement is governed by Washington State law. The parties expressly consent to the venue and jurisdiction of the Whatcom County Superior Court for the State of Washington for any legal disputes between them.

Opportunity to Cure

In the event, we fail to meet our obligations under the Agreement Letter, you agree to notify us in writing and provide us with the opportunity to re-perform the services.

LIMITATION OF LIABILITY

In recognition of the relative risks of this agreement to you and to us, you and we agree on the fair allocation of risk between us. As such, to the fullest extent permitted by law, you agree to limit the liability of our Firm to you for any and all claims, losses, costs and damages of any nature whatsoever so that the total aggregate liability of our Firm to you shall not exceed an amount equal to three times our collected fees for services rendered under this agreement. You and our Firm intend and agree that this limitation applies to any and all liability or cause of action against our Firm, however alleged or arising, unless otherwise prohibited by law.

Entire Agreement

The agreement letter and these terms and conditions provided with it represent the entire agreement between you and Larson Gross Advisors, LLC for the provision of the services herein. The Agreement Letter supersedes any and all prior agreements, both written and oral. You and Larson Gross Advisors, LLC both intend and agree that this Agreement Letter should be treated as a fully integrated contract under Washington law.

CAPITAL REQUEST MEMO

To: Sudden Valley Community Association Board of Directors
From: Michael Bennett, General Manager
Date: February 27th, 2025
Subject: Capital Request – Design & Permit 2026 Road Projects

Purpose

To request funding approval for the design and permitting of SVCA’s 2026 Road projects. SVCA’s 2025 capital plan includes \$41,600.00 in the roads budget.

Background

Designing and permitting road projects in SVCA require months of approval. Design periods typically take 1 to 4 months, and it is not uncommon that Whatcom County takes 6 months to review permit applications. Because of this, SVCA has been starting the design and permitting the year before projects are supposed to happen to ensure there isn’t a construction delay. Road projects typically occur only during the Lake Whatcom Watershed construction window of June 1st through September 30th.

Analysis

SVCA’s 2025 budget includes \$41,600.00 to design and permit four road repair projects and 24 culvert replacements proposed during 2026. Estimated costs:

- \$20,680.00 – Impact Design – Design & Permitting per attached proposal.
- \$5,400.00 – PNW Services – 40 Hours – Manage design and permitting, attend permit meetings with Whatcom County, and facilitate permit submittals.
- \$4,000.00 – Geotechnical investigation allowance.
- \$5,000.00 – Utility exploration for conflicts and survey to document allowance.
- \$3,000.00 – Permit fees allowance.
- \$38,080.00 – Subtotal
- \$3,808.00 – 10% Contingency
- \$41,888.00 – Total Budget

After design and permitting are complete, this project will be returned to the BOD in 2026 with an engineer’s estimate for funding approval.

Proposal

Authorize \$41,888.00 from Roads to design and permit the 2026 Road projects identified in SVCA’s capital plan.

Request

Request \$41,888.00 from Roads to design and permit the 2026 Road projects identified in SVCA’s capital plan.

Motion

Move that the Board of Directors approve the allocation of \$41,888.00 from Roads to design and permit the 2026 Road projects identified in SVCA’s capital plan.

Finance Committee Approval

Motion

Approved: XX Not Approved: Finance Committee

Board of Directors Approval

Motion

Approved: Not Approved: SVCA Board of Directors

Signed: _____ Date: _____
 Keith McLean, SVCA Board President



February 12th, 2025

Tyler Andrews
PNW Services, Inc.
PO Box 30498
Bellingham, WA 98228
360-739-2072

Mr. Andrews,

Thank you for the opportunity to submit a proposal to provide information to Whatcom County for a Notice of Activity for multiple stormwater and road repair jobs for the Sudden Valley Community Association for this year. We propose to conduct the engineering for this project on a Not To Exceed contract of **(\$20,680.00)** in accordance with the rate sheets attached and our budget. Additional work outside this scope will be paid per hour as shown on the attached rate sheet.

Scope of Work:

We will prepare engineering plans describing the location and scope of multiple stormwater and road repair jobs in Sudden Valley sealed by a licensed professional engineering in the State of Washington. Typical details and a stormwater pollution prevention plan will be provided.

We understand that the work done in 2025 will include the following projects:

- Appaloosa Court Repair & Overlay
- Yearling Place Repair & Overlay
- Misty Ridge Court Repair & Overlay
- Fields Park Place Repair & Overlay
- Culvert 25 Replacement
- 23 Culvert Replacements

Cost Breakdown:

Below is a breakdown of hours to complete this work.

- Principal Engineer @ \$140/hr x 62 hr = \$8,680
- Project Engineer @ \$125/hr x 96 hr = \$12,000

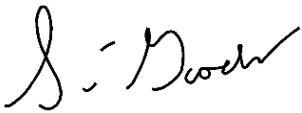
Scope Assumption: This scope assumes that the SVCA Programmatic Permit will be renewed by Whatcom County without significant revisions that would impact this scope.

Excluded Scope: Survey work, Habitat Conservation Assessment (HCA), critical areas work, traffic studies, architectural design, landscape design, title reports, construction support, as-builts and dry utilities coordination are not included in this scope.

Name

Date

Respectfully,



Scott Goodall, MS, PE
Principal
Impact Design, LLC



2025 Rate Sheet

Office	Hourly Rate
Principal Engineer	\$140
Design Engineer	\$125
Engineering Technician	\$100
Design Technician	\$95
CAD Technician	\$75

Field	Hourly Rate
Construction Inspection	\$90

Sub-Consultants	15% Markup
Equipment	15% Markup
Travel Expenses	15% Markup
Mileage	\$0.50 / Mile

CAPITAL REQUEST MEMO

To: Sudden Valley Community Association Board of Directors

From: Michael Bennett, General Manager

Date: February 27th, 2025

Subject: Capital Request – 2025 Potholes & Minor Road Repairs

Purpose

To request funding approval for pothole and minor road repairs in 2025.

Background

A line item of \$37,856 for pothole repairs is included in the Sudden Valley Community Association (SVCA)'s 2025 Roads budget. Beginning in 2023, this line item was expanded to include minor road repairs along with pothole restoration.

Analysis

As potholes are identified, SVCA's Maintenance Department will temporarily fill them with asphalt cold patch material until a few additional potholes are identified. Once this occurs, permanent asphalt repairs are completed. This includes removing the failed asphalt, preparing the subgrade as needed, placing new asphalt, and sealing the edges.

In addition, SVCA's Maintenance Department will also perform minor road repairs as part of this scope. Minor road repairs are projects that don't require contractor expertise, specialized equipment, or permitting or are large-scale projects. Minor road repairs include activities such as:

- Repairing a washed-out shoulder. This could include placing aggregate to stabilize or repairing ruts off the edge of asphalt.
- Painting of stop bars at intersections.
- Painting of parking lots.
- Replacement of broken street signs/posts.
- Stabilizing a ditch with drainage issues.
- Installation of an asphalt berm for directing water flow.
- Etc.

The proposed 2025 budget for SVCA's maintenance staff to perform pothole and minor road repairs is 37,856.00.

Proposal

Authorize \$37,856.00 from Roads for SVCA’s Maintenance Department to complete pothole and minor road repairs in 2025.

Request

Request \$37,856.00 from Roads for potholes and minor road repairs in 2025.

Motion

Move that the Board of Directors approve the allocation of \$37,856.00 from Roads for potholes and minor road repairs in 2025.

Finance Committee Approval

Approved: XX Not Approved: Finance Committee

Board of Directors Approval

Motion

Approved: Not Approved: SVCA Board of Directors

Signed: _____ Date: _____
 Keith McLean, SVCA Board President

CAPITAL REQUEST MEMO

To: Sudden Valley Community Association Board of Directors
From: Michael Bennett, General Manager
Date: February 27th, 2025
Subject: Capital Request – 2025 Fast Response

Purpose

To request funding for the 2025 Fast Response for Unforeseen Drainage Issues project.

Background

Sudden Valley Community Association (SVCA) 2025 budget includes \$91,936.00 for Fast Response for Unforeseen Drainage Issues. This budget item is in place to cover unexpected drainage issues that may occur throughout the year. These issues could result from a flood, significant storm, existing drainage that fails unexpectedly, etc. In 2022, SVCA began restoring SVCA's drainage system to the original 1970s construction design, and in 2023 and 2024, it aggressively continued restoration. SVCA has cleared and established positive drainage at all previously known culverts and located over 100 additional culverts buried from neglect, with some having over 3' of debris covering the inlets or outlets. The risk of existing infrastructure failing unexpectedly is reducing, but the risk is still present. Even with these recent improvements, only about 10% of SVCA's ditches have been restored. It is essential to maintain this budget item and have it available annually to cover unexpected drainage issues that may arise. Some examples of where the Fast Response budget has been utilized in recent years were the 2021 November flood and the 2023 October heavy rain event.

Analysis

SVCA has approximately 36 miles of roads with ditches generally on both sides and over 350 identified culverts. This infrastructure network winds through steep, heavily forested terrain and includes one lake, numerous drainage corridors, and two large creeks – Beaver Creek and Austin Creek. Given this network, it is not uncommon for drainage issues to develop during storm events. This capital request provides immediate financial assistance for SVCA to address the problems that may arise quickly.

Responding to these unexpected events often necessitates a quick response to reduce damage or reestablish access. Contractors typically complete this work on a Time and Materials contract if the scope exceeds the Maintenance Department's capabilities. A Time and Materials contract allows SVCA to quickly mobilize a contractor with what is needed and complete the work. In 2024, SVCA solicited bids from local contractors, and on-call contracts were issued based on the top 3 competitive bids. All three contractors have agreed to extend their contracts through 2025 with no price changes. If an event occurs that needs outside assistance, the

Maintenance & Facilities Manager will contact the contractors by order of bid – lowest contractor first (Stremmer Gravel, Inc., Dirt Works, Inc., and Tiger Construction LTD.) and if that contractor is unavailable, the second contractor would be called moving onto the third contractor if necessary.

Proposal

Authorize \$91,936.00 from Roads for the 2025 Fast Response for Unforeseen Drainage Issues project. The funds will be administered by SVCA’s Maintenance Manager, who is responsible for the overall project and determining what SVCA can complete versus when a task needs outsourcing. If SVCA cannot complete repairs, the Maintenance & Facilities Manager will coordinate with one of the on-call contractors.

Request

Request \$91,936.00 from Roads for the 2025 Fast Response for Unforeseen Drainage Issues project. The funds will be administered by SVCA’s Maintenance & Facilities Manager. The Manager will determine when SVCA staff can complete the work and when one of the on-call contractors will be brought in.

Motion

I move that the SVCA Board of Directors approve the allocation of \$91,936 from Roads for the 2025 Fast Response for Unforeseen Drainage Issues project. The Maintenance & Facilities Manager will be responsible for distributing the funds and determining when SVCA staff can complete the work and when to bring in one of the on-call contractors.

Finance Committee Approval

Motion

Approved: XX Not Approved: Finance Committee

Board of Directors Approval

Motion

Approved: Not Approved: SVCA Board of Directors

Signed: _____ Date: _____
 Keith McLean, SVCA Board President

CAPITAL REQUEST MEMO

To: Sudden Valley Community Association Board of Directors
From: Michael Bennett, General Manager
Date: February 27th, 2025
Subject: Capital Request – 2025 On-Call Engineering Services

Purpose

To request funding approval for On-Call Engineering Services from the 2025 Capital Road Budget.

Background

This request will provide On-Call Engineering Services funding to address emergent roadway and drainage infrastructure issues.

Analysis

Approval of this request will allow rapid response to unanticipated damage or issues that arise outside of planned capital improvements. Services provided from these funds may include but are not limited to technical evaluations, preliminary engineering, and permitting support for unplanned projects that arise. Based on the age of the Sudden Valley Community Association (SVCA) infrastructure, emergent issues are anticipated to occur occasionally.

Proposal

Authorize \$43,264.00 as identified in SVCA's 2025 Budget from Roads for On-Call Engineering Services in 2025. The Maintenance & Facilities Manager will administer funds. In addition, the leftover 2024 On-Call Engineering balance, SVCA Capital Code 9924.2, must be added. This added balance is approximately \$2,000.

Request 1

Request \$43,264.00 from Roads for On-Call Engineering Services with funds to be administered by the Maintenance & Facilities Manager.

Request 2

Request the project funds from the 2024 On-Call Engineering Services, SVCA Capital Code 9924.2, to be added to this capital request, and Capital Code 9924.2 to be closed out with a \$0.00 balance.

Motion 1

Move that the Board of Directors approve the allocation of \$43,264.00 from Roads for On-Call Engineering Services in 2025, with funds to be administered by the Maintenance & Facilities Manager.

Motion 2

Move that the Board of Directors approve the balance of funds in Capital Code 9924.2 to be added to the \$43,264.00 and Capital Code 9924.2 to be closed out with a \$0.00 balance.

Finance Committee Approval

Motion 1

Approved: XX Not Approved: Finance Committee

Motion 2

Approved: XX Not Approved: Finance Committee

Board of Directors Approval

Motion 1

Approved: Not Approved: SVCA Board of Directors

Motion 2

Approved: Not Approved: SVCA Board of Directors

Signed: _____ Date: _____
 Keith McLean, SVCA Board President

CAPITAL REQUEST MEMO

To: Sudden Valley Community Association Board of Directors
From: Michael Bennett, General Manager
Date: February 27th, 2025
Subject: Capital Request – 2025 Street Signs & Pavement Marking Repair

Purpose

This memo requests approval for funding to repaint the centerline of the main roads and perform minor signage improvements, as outlined in SVCA’s \$30,000 2025 capital plan budget.

Background

The centerlines of the main roads were last painted in 2023, with the previous cycle occurring in 2019. Following the industry’s best practices and SVCA’s 10-year Capital Plan, we propose repainting on a two-year cycle. This ensures consistent visibility for traffic, improves safety, and reduces long-term costs. Allowing paint lines to fade results in additional labor costs, as contractors must manually mark centerlines before painting, a step we aim to avoid.

Analysis

In 2023, SVCA issued a bid package for centerline painting, awarding the contract to Kamps Painting for \$25,563.65. The process included additional labor to mark faded lines before painting manually. Adopting a two-year repainting cycle will eliminate this extra step in 2025, reducing labor costs while accounting for expected price increases over two years. This project is scheduled for spring 2025, aligning with SVCA’s routine road sweeping to maximize efficiency and cost-effectiveness.

SVCA maintains approximately 36 miles of roads with hundreds of street signs. While significant signage upgrades have been completed in the past two years, ongoing improvements are necessary. This project includes a materials budget to purchase additional signage, with installation covered under the existing Maintenance budget.

Proposed Budget:

- \$1,350.00 – PNW Services, Inc. – 10-hour allowance for Bid package preparation, contractor selection, and contract facilitation
- \$25,563.65 – Centerline repainting budget.
- \$2,000.00 – Road signage materials allowance.
- \$28,913.65 – Subtotal
- \$2,891.37 – 10% Contingency
- \$31,805.02 – Total Budget

Following the bidding process, the contract for centerline painting will be presented to the Board of Directors for final approval.

Proposal

Authorize \$31,805.02 from Roads to paint the centerline of the main roads and purchase materials for road signage improvements.

Request

Request \$31,805.02 from Roads to paint the centerline of the main roads and purchase materials for road signage improvements.

Motion

Move that the Board of Directors approve the allocation of \$31,805.02 from Roads for the 2025 Street Signs & Pavement Marking Repair project.

Finance Committee Approval

Motion

Approved: XX Not Approved: Finance Committee

Board of Directors Approval

Motion

Approved: Not Approved: SVCA Board of Directors

Signed: _____
 Keith McLean, SVCA Board President

Date: _____

CAPITAL REQUEST MEMO

To: Sudden Valley Community Association Board of Directors
From: Michael Bennett, General Manager
Date: February 27th 2025
Subject: Capital Request –2025 Ditches, Culverts, and Swales (CVC)

Purpose

To request annual funding approval for maintenance of ditches, culverts, and swales per the 2016 Special General Meeting (SGM) Mandate for 2025.

Background

The 2016 SGM required Sudden Valley Community Association (SVCA) to perform major maintenance of ditches, culverts, and swales on an annual basis. A memo from Larson Gross dated December 29th, 2015, outlined the work that could be completed under this program. Since the 2016 SGM, this project has been called Culvert and Vegetation Control (CVC). From 2016 to 2021 it appears most of the work completed under this project was focused on vegetation control. Starting in 2022, the program was expanded to include culverts and swales as mandated in the 2016 SGM.

Along with a renewed focus on CVC activities, SVCA's Maintenance Department has incorporated a preventive maintenance approach to maintaining SVCA's drainage infrastructure. Work that is now being completed as part of the annual operating budget for maintenance includes:

- Roadside mowing of all SVCA road shoulders a minimum of twice per year.
- Maintenance staff are trained to use SVCA's bucket truck and are using it proactively to trim trees and cut back/remove vegetation.
- Schedule and manage Clean Green events where chip-able material is brought by homeowners to maintenance staff for chipping/disposal.
- Regularly remove roadside branches by chipping directly into a truck instead of side casting. This minimizes the buildup of debris along shoulders and prevents it from entering ditches and culverts.
- Road cleaning with sweeper trucks that collect the debris instead of using SVCA's broom that side casts material onto the shoulders and into ditches. This process is now being completed twice per year – once in the fall after tree debris (leaves, etc.) have fallen, and once in the spring to collect winter road sanding and other debris.

Analysis

In 2023 Impact Design created a new 10 Year Capital Roads and Drainage Program that SVCA is following. The 10 Year plan identified many culverts that need replacement and provides a schedule for completing the work. The plan also identifies the importance and need to continue maintaining and improving ditches and culverts. The plan specifically calls out using CVC funds identified each year to complete ditching, and keeping culverts cleared. In addition, it stated that any unused Fast Response funds from prior years should be allocated to the following year's CVC allowance. For example, any 2024 Fast Response funds not used should be added to the 2025 CVC budget.

SVCA has approximately 36 miles of roads with ditches typically on at least one side of the roadway, with many having ditches on both sides of the road. Starting in 2022, CVC projects focused on cleaning and restoring ditches where drainage issues had been identified over the years but had previously been neglected. Outside of the ditching completed as part of this project (about 10% of SVCA's ditches have now been cleaned since 2022), minimal maintenance has been performed since they were built in the 1970's. This leaves many miles of ditches not cleaned, and SVCA is continuing to prioritize locations for improvements based on drainage issues.

This project is proposed to be a combined effort between SVCA's Maintenance Department, and outside contractors. When a scope of work is identified beyond Maintenance's ability, an outside contractor will be utilized. The outside contractors are proposed to be the 2025 On-Call Contractor list identified under a separate capital request. Outside contractors would typically be used where heavy equipment is necessary that SVCA does not own, requires specialized experience, or is large scale efficiency based. A few examples of when an outside contractor will be utilized:

- Clearing of a long culvert that is beyond the capabilities of SVCA's vac-trailer.
- Cleaning large stretches of ditches where larger equipment and full-size dump trucks would be used to significantly increase production and reduce the cost per foot of ditching.
- Offsite disposal of materials generated during cleaning operations.

SVCA's maintenance department will undertake the cleaning of smaller culverts and structures that are suited to SVCA's vac-trailer, as well as complete isolated drainage improvements not suited for high volume production identified above (SVCA doesn't have the equipment or staff required for high volume production).

Proposal

Authorize \$130,333.00 for 2025's CVC project as identified in the Road budget. In addition, authorize the leftover 2024 Fast Response balance, SVCA capital code 9924.1 to be added. This balance is approximately \$37,000, and when combined creates a total 2025 CVC budget of \$167,333.00. The Maintenance & Facilities Manager will be responsible for project oversight, and management of the funds. Funding breakdown is proposed to be:

- \$67,774.00 toward SVCA's Maintenance Department
- \$99,559.00 for outside contractors utilizing the 2025 On-Call Contractor list.
- \$167,333.00 total project funds.

Request 1

Request \$130,333.00 from Roads for the 2025 Ditches, Culverts, and Swales (CVC) project with funds to be administered by the Maintenance & Facilities Manager.

Request 2

Request the project funds from the 2024 Fast Response, SVCA Capital Code 9924.1, be added to this capital request (approximately \$37,000), and Capital Code 9924.1 be closed out with a \$0.00 balance.

Motion 1

Move that the Board of Directors approve the allocation of \$130,333.00 from Roads for the 2025 Ditches, Culverts, and Swales (CVC) project with funds to be administered by the Maintenance & Facilities Manager.

Motion 2

Move that the Board of Directors approve the balance of funds in Capital Code 9924.1 (approximately \$37,000) be added to the 2025 CVC budget of \$130,333.00, and Capital Code 9924.1 be closed out with a \$0.00 balance.

Finance Committee Approval

Motion 1

Approved: Not Approved: Finance Committee

Motion 2

Approved: Not Approved: Finance Committee

Board of Directors Approval

Motion 1

Approved: Not Approved: SVCA Board of Directors

Motion 2

Approved: Not Approved: SVCA Board of Directors

Signed: _____
Keith McLean, SVCA Board President

Date: _____

CAPITAL REQUEST MEMO

To: Sudden Valley Community Association Board of Directors

From: Greg Wadden, Golf Course Superintendent

Date: February 2025

Subject: Capital Request – Golf Course Fairway top-dresser replacement.

Purpose

To request funding approval for the funding for the replacement of asset ID#1045 Tycrop MH400 Fairway top-dresser and twin spinner.

Background

The existing Tycrop fairway top dresser has reached the end of its useful life and requires replacement. It was purchased in the 1980s and has been very heavily used. It is no longer useful without significant replacement parts, which are unavailable as Tycrop no longer manufactures it.

Analysis

In the 2025 CRRRF Capital Planning document, Asset ID#1045 is scheduled to be replaced this year with an estimated replacement figure of \$32,448. After obtaining four replacement quotes for a unit of the same likeness and configuration, we found that the replacement cost exceeds the estimated cost in the Capital Planning document. Four quotes were received for similar Fairway topdressing units, as reflected in the chart below:

Turfcare Fairway topdresser comparisons:						
Brand	Capacity	Delivery timeline	Hydraulic requirements	Side Conveyor	Brakes kit	Price:
2025 Toro MH400	4 yrd	2026	10 gpm	no	yes	\$48298.90 plus tx
Turfco CR-20	4.5 yrd	Jun-25	10gpm	yes	yes	\$46500.00 plus tx.
Turftime FX650	6.5 yrd	6 to 8 weeks	12-15 gpm (requires pto kit)	yes	yes	\$54750.00 plus tx
Dakota Turf tender 440	5 cu. Ft	Jul-25	11 gpm	yes	yes	\$46,460.00 plus tx

Proposal

After reviewing the four quotes and discussing with colleagues the parts availability and the quality of the product, we would like the Board of Directors to consider the Turfco CR-20 Top dresser as the replacement unit in the amount of \$46,500.00 plus tax for a total of \$50,592.00. Because the CRRRF estimated replacement fund for the Fairway top dresser is short-funded for replacement, we propose to take \$18,144.00 from the

Phase 2 Cart Path repairs line scheduled for 2025. The amount estimated for Phase 2 Cart Path repairs in the 2025 CRRRF capital plan is \$54,080. Doing so will leave a balance of \$35,936 in the Capital repair line, allowing funding to replace the Tycrop Fairway top dresser.

Request

This is a two-part request.

1) Request that the Board of Directors allow funds of \$18,144.00 to be taken from the 2025 CRRF Cart Path Repair Line to complete the purchase of a 2025 Turfco CR-20 Fairway top dresser.

2) That the Board of Directors approve the allocation of \$18,144 from the 2025 Cart Path repairs coupled with the 2025 CRRF replacement estimate of Asset ID#1045 Tycrop top-dresser and twin spinner \$32,448 for a total of \$50,592.00 to complete the purchase.

Motion

Motion 1: Reallocate \$18,144.00 in Capital funds from the 2025 CRRF Cart Path Repair Line to the Top Dresser Asset # 1045 line item to complete the purchase of a 2025 Turfco CR-20 Fairway top dresser.

Motion 2: Move that the Board of Directors approve the allocation of \$50,592.00 from CRRRF for purchasing a new Turfco CR-20 Fairway top dresser for the Turfcare Department.

Finance Committee Approval

Motion 1: Approved: XX Not Approved: _____ SVCA Finance Committee

Motion 2: Approved: XX Not Approved: _____ SVCA Finance Committee

Board of Directors Approval

Motion 1: Approved: _____ Not Approved: _____ SVCA Board of Directors

Motion 2: Approved: _____ Not Approved: _____ SVCA Board of Directors

Signed: _____ Date: _____
Keith McLean, SVCA Board President

Quote Summary

Prepared For:
 SUDDEN VALLEY GOLF & COUNTRY CLUB
 4 CLUBHOUSE CIR
 BELLINGHAM, WA 98229
 Business: 360-734-6435

Prepared By:
 Rick Michel
 Pacific Golf & Turf
 1818 Bickford Avenue
 Snohomish, WA 98290
 Phone: 360-568-7798
 rmichel@pacificgolfturf.com

Quote Id: 32279171
Created On: 30 January 2025
Last Modified On: 04 February 2025
Expiration Date: 28 February 2025

Equipment Summary	Selling Price	Qty	Extended
TURFCO CR-20	\$ 46,500.00 X	1 =	\$ 46,500.00
Equipment Total			\$ 46,500.00

Quote Summary	
Equipment Total	\$ 46,500.00
SubTotal	\$ 46,500.00
Sales Tax - (8.80%)	\$ 4,092.00
Est. Service Agreement Tax	\$ 0.00
Total	\$ 50,592.00
Down Payment	(0.00)
Rental Applied	(0.00)
Balance Due	\$ 50,592.00

Quote Id: 32279171**Customer:** SUDDEN VALLEY GOLF & COUNTRY CLUB

TURFCO CR-20

Hours: 0**Stock Number:**

Code	Description	Qty
85444	CR-20 Fairway Topdresser & Material Handler with Electric Brakes & Side Conveyor	1



Date: February 3, 2025

Quotation for Sudden Valley Community Assoc

Quote No: Q006648

Prepared For:	Greg Wadden	Quote No:	Q006648
	Sudden Valley Community Assoc 4 Clubhouse Circle Bellingham WA 98229 United States of America	Sales Person:	Shawn Frisbee Shawn.Frisbee@turfstar.com

Summary

Configuration Name	Qty	Unit Price	Sub Total	Sales Tax	Total
44954: MH-400 Wireless	1	\$48,298.90	\$48,298.90	\$4,250.30	\$52,549.20
DC44182: Dakota 440 4 Wheel Brakes	1	\$46,460.00	\$46,460.00	\$4,088.48	\$50,548.48

Totals	94,758.90	8,338.78	103,097.68
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Accepted By: _____



Date: February 3, 2025

Quotation for Sudden Valley Community Assoc

Quote No: Q006648

Configuration Product Details 44954: MH-400 Wireless

Model	Product Description	Qty	Unit Price	Extended	Sales Tax	Total
44954	MH-400 Wireless	1	\$38,859.74	\$38,859.74	\$3,419.66	\$42,279.40
44944	MH-400 Twin Spinner SH/E	1	\$6,092.21	\$6,092.21	\$536.11	\$6,628.32
44945	Brakes 2 to 4 Wheel	1	\$2,251.95	\$2,251.95	\$198.17	\$2,450.12
FSD1	MH 400 Setup	1	\$945.00	\$945.00	\$83.16	\$1,028.16
FSD2	MH 400 Delivery	1	\$150.00	\$150.00	\$13.20	\$163.20

Totals: \$52,549.2



Date: February 3, 2025

Quotation for Sudden Valley Community Assoc

Quote No: Q006648

Configuration Product Details DC44182: Dakota 440 4 Wheel Brakes

Model	Product Description	Qty	Unit Price	Extended	Sales Tax	Total
DC44182	Dakota 440 4 Wheel Brakes	1	\$36,410.00	\$36,410.00	\$3,204.08	\$39,614.08
DC44050	Spinner Package (Supersedes d440005)	1	\$3,750.00	\$3,750.00	\$330.00	\$4,080.00
DC44070	Side Conveyor (Supersedes d440008)	1	\$5,160.00	\$5,160.00	\$454.08	\$5,614.08
DC44150	Electric Front Door (Supersedes d440015)	1	\$1,140.00	\$1,140.00	\$100.32	\$1,240.32

Totals: \$50,548.48

8,338.78 103,097.68

Accepted By: _____



Date: February 3, 2025

Quotation for Sudden Valley Community Assoc

Quote No: Q006648

Standard Terms and Conditions:

All customer orders require a review and either a customer signature on the final TSW quotation or a customer Purchase Order which includes the TSW quotation. In addition the customer must include a preferred delivery date, and any specific set-up requirements, such as Height of Cut, and the payment method must be pre-approved by TSW before proceeding with the order's acceptance.

All equipment sales are final, as most equipment is custom and specific to an application. Order cancellations must be approved in advance by TSW and will incur a 15% restock and handling fee.

Office Locations:

Northern California:

3928 N. Blattela Lane
Fresno, CA 93727

11373 Sunrise Gold Circle
Rancho Cordova, CA 95742

Southern California:

79-893 Country Club Drive
Bermuda Dunes, CA 92203

955 Beacon Street
Brea, CA 92821

2255 Meyers Avenue
Escondido, CA 92029

Pacific Northwest:

1750 Industrial Dr. NE
Salem, OR 97301

5869 South 194th
Kent, WA 98032

2824 East Garland
Spokane, WA 99207

(800) 585-8001



WARNING:

Cancer and Reproductive Harm - <http://www.P65Warnings.ca.gov>
For more information, please visit <https://www.tcoCAProp65.com>

CALIFORNIA SPARK ARRESTER WARNING:

Operation of this equipment in the State of California may create sparks that can start fires around dry vegetation
A spark arrester may be required.
The operator should contact local fire agencies for laws or regulations relating to fire prevention requirements

APPROVAL REQUEST MEMO

To: Sudden Valley Community Association Board of Directors
From: Michael Bennett – GM, Kyle Kaltenfeldt, Recreation Manager
Date: February 27, 2025
Subject: Approval Request – Fitness / Pool Membership Access and Fee Changes

Purpose

To seek Board approval for adjustments to the pool and fitness center **non-resident** membership pricing structure to ensure fairness, simplify administration, and enhance security.

Background

Currently, the SVCA Recreation Department's **non-resident** membership pricing structure is inconsistent. While the monthly pool membership is priced at \$50 for children and \$75 for adults, fitness center membership is only \$35 per month. However, due to the absence of an amenity card scanner or staff oversight at the pool entrance, **non-resident** fitness center members inadvertently gain unmonitored access to the pool without paying the higher pool membership fee.

Analysis

We propose adopting a seasonal pricing approach that aligns membership fees with facility usage to address this inconsistency. Under this model:

- From May through August, a "Summer" rate of \$75 for adults and \$50 for children would apply, covering access to the fitness center and pool.
- For the remaining nine months (September–April), membership would revert to \$35 monthly, reflecting fitness center access only.

This adjustment simplifies pricing, ensures fairness, and better aligns costs with facility demand. Additionally, we recommend implementing an \$8 access card fee for non-residents who purchase a Monthly Membership. This card would be visually distinct from resident cards and automatically expires upon membership termination. Currently, non-residents require manual admission by staff, which prevents them from accessing the gym when the front desk is unstaffed. Issuing access cards would:

- Streamline entry for non-residents
- Enhance security by ensuring only authorized members access facilities
- Reduce the burden on staff for manual check-ins

Article III Section 20 of the SVCA Bylaws provides the following:

Section 20. Use Fees. *Use fees may be levied against members in amounts to be determined by the Board for services which benefit specific members, including fees for use of amenities or facilities, recreational fees, trash service fees and other special fees. Such fees may be levied*

against those members determined by the Board to benefit from or otherwise take advantage of the services or benefits so provided.

Requests

We request Board approval to implement:

1. A seasonal membership pricing structure for non-residents, as outlined above.
2. An \$8 access card fee for non-residents to enhance security and streamline entry.

Motion

1. Move that the Board of Directors authorize the GM to publish the details about the proposed fee changes and information about any upcoming meetings where these changes will be discussed, voted upon, or ratified and to seek member comments before final ratification of the proposed changes.

2. Move that the Board of Directors authorize the GM and Recreation Manager to implement the proposed Recreation Center Access fees and Membership pricing, following communication to members and a minimum 30-day member comment period.

Approval

Approved: _____ Not Approved: _____ SVCA Board of Directors

Signed: _____ Date: _____
Keith McLean, SVCA Board President

CAPITAL REQUEST MEMO

To: Sudden Valley Community Association Board of Directors
From: Michael Bennett, General Manager
Date: February 27th, 2025
Subject: Capital Request – 2025 Austin Creek Bank Repair Design & Permitting

Purpose

This memo requests funding approval to design and permit repairs for the sloughing of the Austin Creek bank adjacent to the Recreation Corridor community garden.

Background

During the November 2021 flood event, some of the Austin Creek banks near the Recreation Corridor community garden sloughed off. On January 12, 2023, the SVCA Board of Directors (BOD) approved funding (Capital Code 9723.04) to design and permit repairs for this location and three additional Austin Creek sites on the golf course. SVCA hired Impact Design to develop a preliminary design and assess permit requirements with Whatcom County.

Following a September 7, 2023, meeting with Whatcom County, SVCA was informed on September 27, 2023, that the permitting process would be significantly more complex than anticipated. By this time, nearly two years had passed since the initial bank failure, vegetation had regrown, and no further changes had occurred at any of the four locations. As a result, in January 2024, SVCA elected to put the project on hold.

On November 15, 2024, Turf Care Superintendent Greg Wadden reported additional sloughing at the site following recent heavy rainfall. The bank failure has now created a vertical drop at the edge of a trail used by golfers and community members accessing the garden. Continued erosion may eliminate the pathway and encroach on the community garden without intervention.

Analysis

This proposal recommends hiring Chinook Engineering to design and permit the necessary bank repairs, with project oversight provided by PNW Services, Inc. Chinook Engineering previously completed the design and permitting processes for the 8th Hole Golf Bridge replacement in 2022. Some of that design data can be leveraged to reduce costs on this project.

Cost Breakdown:

- **\$18,000.00** – Chinook Engineering: Design and permitting (Proposal #24488 attached).
- **\$1,620.00** – PNW Services, Inc.: 12-hour allowance for meetings, design oversight, and permit facilitation.
- **\$3,000.00** – Permit fee allowance (Whatcom County).
- **\$22,620.00** – **Subtotal**
- **\$2,262.00** – **10% Contingency**
- **\$24,882.00** – **Total Design & Permitting Budget**

Proposal

Upon completion of design and permitting, an engineer’s estimate will be prepared, and the project will be presented to the BOD for additional funding approval to complete the repair.

Requests:

- **Request 1:** Approve \$24,882.00 from CRRRF for the 2025 Austin Creek Bank Repair Design & Permitting project as outlined above.
- **Request 2:** Authorize the General Manager to execute Chinook Engineering’s proposal (dated January 30, 2025) for \$18,000.00.

Motions:

- **Motion 1:** Move that the Board of Directors approve the allocation of \$24,882.00 from CRRRF for the 2025 Austin Creek Bank Repair Design & Permitting project.
- **Motion 2:** Move that the Board of Directors authorize the General Manager to execute Chinook Engineering’s proposal (dated January 30, 2025) for \$18,000.00.

Finance Committee Approval

Motion 1

Approved: _____ Not Approved: XX Finance Committee

Motion 2

Approved: _____ Not Approved: XX Finance Committee

Board of Directors Approval

Motion 1

Approved: _____ Not Approved: _____ SVCA Board of Directors

Motion 2

Approved: _____ Not Approved: _____ SVCA Board of Directors

Signed: _____ Date: _____

Keith McLean, SVCA Board President

Chinook Engineering
 860 Windrose Drive
 Coupeville, WA 98239
 360.672.5528



Community Association
 Sudden Valley Community Association
 4 Clubhouse Circle
 Bellingham, WA 98229

Estimate Number 24488
 Estimate Date 01/30/2025

Description	Rate	Qty	Line Total
25488 Lower Austin Creek SVCA Bank Stabilization with LWM and FHEP Approach	\$18,000.00	1	\$18,000.00
Fisheries Engineering Project to include Feasibility, Alternatives, drawings and construction cost estimate to the 60%, and 100% stages of completion. The 60% stage will be discussed with WDFW and assumes that a Fisheries Habitat Enhancement Project will be the method for Permitting the project for the HPA. A FHEP sponsor such as Nooksack Fisheries Enhancement Group or Tribes or other qualified 501C3 Entity will need to sponsor the work as per the RCW.	\$0.00	1	\$0.00
<p>We anticipate that the Fee associated with this estimate is adequate to complete the project with Whatcom County permitting and where the FHEP process is not followed by the County. The FHEP process will provide a significant savings in fee if it is allowed.</p> <p>That Scope will need to be determined when the project is proposed for permitting.</p>			
Fisheries Engineering We anticipate the preparation of 9 drawings showing existing and proposed site plan, stream profile, Sections and details of LWM log installations with log piles or chained rock flotation resistant anchors.	\$0.00	1	\$0.00
Meetings We anticipate that the Whatcom may drag the permitting process out to include SEPA and not accept the streamlined FHEP process as stipulated in the RCW 77.55.181 (1)(c)(vii).	\$0.00	1	\$0.00
Hydraulic Modeling HECRAS Use USCOE HECRAS model to determine water surface elevations. This is include in our work. We are familiar with the flow regimes of Austin Creek. This Fee Estimate excludes any Flood Zero Rise Memorandums That may arise from Whatcom County requests.	\$0.00	1	\$0.00

Subtotal 18,000.00
 66 of 78

Tax

0.00

Estimate Total (USD)

\$18,000.00

[Notes](#)

Please Sign and return to Chinook Engineering by email if this meets with your approval.

[Terms](#)

As invoiced monthly.

APPROVAL REQUEST MEMO

To: Sudden Valley Community Association Board of Directors
From: Michael Bennett, General Manager
Date: February 27, 2025
Subject: Request for Approval – UniLect Corporation Contract for 2025 Election Services

Purpose

To request the Board to discuss two (2) options for election services and to approve one of the options for the UniLect Corporation contract to provide SVCA 2025 election services.

Background

The SVCA Board of Directors directed General Manager Michael Bennett and N&E Chairperson Rob Gibbs to research online balloting options and paper ballot services and to negotiate a contract with UniLect for the 2025 election services. The two contract options are now being presented for discussion and approval.

Analysis

In the past, all SVCA elections and ballot measures were conducted using paper ballot materials mailed to all members. The use of electronic ballots and notice delivery will save SVCA considerable costs.

SVCA Bylaws, Article II, Section 7, (f) concerning the use of electronic voting methods states:

(f) The Association is permitted to institute and utilize electronic voting through a third-party vendor selected by the Board.

Washington Homeowner Associations formed before July 1, 2018, may also be governed by earlier statutes, such as **64.38 RCW, which provides if an association's governing documents—specifically its articles of incorporation or bylaws—authorize electronic voting, then electronic voting may be permissible.**

RCW 64.38.110 Notice. (Effective until January 1, 2028.)

(1) Notwithstanding any inconsistent provision in the governing documents, notice to the association of lot owners, board, or any lot owner or occupant of a lot under this chapter shall be in writing and shall be provided to the recipient by personal delivery, public or private mail or delivery service, or by electronic transmission as provided in this section: PROVIDED, That if this chapter requires different or additional notice requirements for particular circumstances, those requirements shall apply.

(3) Notice in an electronic transmission shall be provided as follows:

(a) Notice to the association, the board, or lot owners by electronic transmission is effective only upon those who have consented, in writing, to receive electronically transmitted notices under this chapter and have designated the address, location, or system to which such notices may be electronically transmitted, provided that such notice otherwise complies with any other requirements of this chapter and applicable law.

- (b) Notice under this subsection includes any materials accompanying the notice.
- (c) Owners who have consented to receipt of electronically transmitted notices may revoke this consent by delivering a revocation to the association in writing.
- (d) The consent of any lot owner is revoked if the association is unable to electronically transmit two consecutive notices, and this inability becomes known to the secretary of the association of lot owners or any other person responsible for giving the notice. The inadvertent failure by the association of lot owners to treat this inability as a revocation does not invalidate any meeting or other action.
- (e) Notice to lot owners who have consented to the receipt of electronically transmitted notices may be provided by posting the notice on an electronic network and delivering to the owner a separate notice of the posting, together with comprehensible instructions regarding how to obtain access to the posting on the electronic network.

SVCA’s bylaws also allow for electronic communication to a member and back to SVCA in **Article VI, Section 3. Notifications (b)**, where:

- (b) if to be delivered personally, sent by electronic mail (as specified by RCW 24.03.009 or RCW 64.38.035[2][c]), or sent by first class mail, postage prepaid:
 - (i) if to a member, at the address or electronic mail address which the member has designated in writing and filed with the Secretary, or if no such address has been designated, at the last known mailing address of the member; or
 - (ii) if to the Association, the Board, or the managing agent, at the Association’s principal office or such other mailing address or electronic mail address as shall be designated by notice in writing to the members pursuant to this section.

Legal Opinion of SVCA Corporate Counsel:

“...Section 7(f) is sufficient to allow both paper ballots and electronic voting at the same election. Section 7(f) simply authorizes SVCA to use electronic voting, but it doesn’t require that the voting be “only” electronic. I think a hybrid approach is what was envisioned by the Board when it proposed this language, and I felt at the time that it would accomplish that goal”.

Requests

Request that the Board of Directors approve either “Option 1”, or “Option 2” with UniLect Corporation for election services in 2025.

Motion

Move that the SVCA Board of Directors authorizes the General Manager to execute the agreement on behalf of the Association.

Approval

Approved: _____ Not Approved: _____ SVCA Board of Directors

Signed: _____ Date: _____
 Keith McLean, SVCA Board President



OPTION 1
CONTRACT OF ELECTION MANAGEMENT SERVICES
FOR SUDDEN VALLEY COMMUNITY ASSOCIATION ANNUAL MEETING & ELECTION 2025
 Costs are based on proposal dated February 18, 2025

MAIN ITEM	\$
UniLect Election Management Services Includes: *Full Service election management of SVCA Annual Election (See proposal for details.) *Design of all Balloting materials, Printing, Mailing & Online Voting Services for 3,300 Official Ballot Packets w/ extras for remailings. Design of (1) Absentee Ballot Style and two (2) ballot styles for online voting. *Each Absentee Ballot Packet will consist of: One (1) Official Ballot; One (1) Voter Guide; One Carrier Envelope; One Return Envelope; and One (1) Secret Ballot Envelope. 8.5" x 5.5" Voter Guide (20 pages) *UniLect California Post Box address for ballot returns and use of UniLect Business Reply Mail Permit *UniLect managing Member ballots submitted by-mail & online with regular communication to N&E Committee. *One (1) On-site Inspector of Election Service w/ two (2) Election Staff to manage Voter Sign-In; In-person Ballot Disbursement; Final Tally and Certification of Election Results *One (1) Toll-Free phone number for Members to contact UniLect for requests of duplicate ballots with Activity Report *Full management of un-deliverables, duplicate ballot requests with detailed log activity	\$21,000.00
ELECTION MANAGEMENT SERVICES TOTAL	\$21,000.00


ESTIMATED OUTBOUND POSTAGE	\$
OUTBOUND: 3,150 (Active Members) 1st Class Ballot Packets (2 ounce per packet) at .63 per ballot. Discounted/Pre-Sort. (Does not include International ballots.)	\$1,984.50
ESTIMATED OUTBOUND POSTAGE TOTAL	\$1,984.50

ESTIMATED RETURN POSTAGE	\$
Estimated Return Postage is based on anticipated 850 absentee ballots returned at \$.81 each ballot, using UniLect's High Volume rate Business Reply Mail Permit. (SVCA will pay return postage only for ballots returned by-mail plus 1/4 cost of UniLect's CA High Volume Maintenance Fee = \$232.50.)	\$921.00
ESTIMATED RETURN POSTAGE TOTAL	\$921.00

STANDARD PAYMENT TERMS:

Actual postage costs are the responsibility of SVCA and will be billed separately.

50% percent deposit for Inspector of Election Services due upon invoicing and 50% balance due after Annual Meeting-Election 11/1/25, upon invoicing. 25% Cancellation Fee for calendar reservation.

X  2/18/2025
 UniLect Representative Date

X _____
 Sudden Valley Community Association Date

Contract parameters rely solely on the information made available with regards to the scope of work requested.
 UniLect reserves the right to revise this Contract if the scope of work is modified.



OPTION 2
CONTRACT OF ELECTION MANAGEMENT SERVICES
FOR SUDDEN VALLEY COMMUNITY ASSOCIATION ANNUAL MEETING & ELECTION 2025
 Costs are based on proposal dated February 18, 2025

MAIN ITEM	\$
UniLect Election Management Services Includes: *Full Service election management of SVCA Annual Election (See proposal for details.) *Design of all Balloting materials, Printing, Mailing & Online Voting Services for 1,650 Official Ballot Packets w/ extras for remailings. Design of (1) Absentee Ballot Style and two (2) ballot styles for online voting. *Each Absentee Ballot Packet will consist of: One (1) Official Ballot; One (1) Voter Guide; One Carrier Envelope; One Return Envelope; and One (1) Secret Ballot Envelope. 8.5" x 5.5" Voter Guide (20 pages) *UniLect California Post Box address for ballot returns and use of UniLect Business Reply Mail Permit *UniLect managing Member ballots submitted by-mail & online with regular communication to N&E Committee. *One (1) On-site Inspector of Election Service w/ two (2) Election Staff to manage Voter Sign-In; In-person Ballot Disbursement; Final Tally and Certification of Election Results *One (1) Toll-Free phone number for Members to contact UniLect for requests of duplicate ballots with Activity Report *Full management of un-deliverables, duplicate ballot requests with detailed log activity	\$14,700.00
ELECTION MANAGEMENT SERVICES TOTAL	\$14,700.00


ESTIMATED OUTBOUND POSTAGE	\$
OUTBOUND: 1,650 (Active Members) 1st Class Ballot Packets (2 ounce per packet) at .63 per ballot. Discounted/Pre-Sort. (Does not include International ballots.)	\$1,039.50
ESTIMATED OUTBOUND POSTAGE TOTAL	\$1,039.50

ESTIMATED RETURN POSTAGE	\$
Estimated Return Postage is based on anticipated 425 absentee ballots returned at \$.81 each ballot, using UniLect's High Volume rate Business Reply Mail Permit. (SVCA will pay return postage only for ballots returned by-mail plus 1/5 cost of UniLect's CA High Volume Maintenance Fee = \$204.00.)	\$548.25
ESTIMATED RETURN POSTAGE TOTAL	\$548.25

STANDARD PAYMENT TERMS:

Actual postage costs are the responsibility of SVCA and will be billed separately.

50% percent deposit for Inspector of Election Services due upon invoicing and 50% balance due after Annual Meeting-Election 11/1/25, upon invoicing. 25% Cancellation Fee for calendar reservation.

X  2/18/2025
 UniLect Representative Date

X _____
 Sudden Valley Community Association Date

Contract parameters rely solely on the information made available with regards to the scope of work requested.
 UniLect reserves the right to revise this Contract if the scope of work is modified.



Date: February 18, 2025

Proposal For: Sudden Valley Community Association Board of Directors
Rob Gibbs/N&E Committee Chair, Michael Bennett/ G.M.,
SVCA N&E Committee

UniLect Contact: Catherine Burkhart / Director/Inspector of Election Services
Andrew Burkhart / Chief Elections Administrator

RE: The Sudden Valley Community Association
2025 Board of Directors/Annual Meeting Election

INTRODUCTION

The UniLect Corporation is pleased to submit this proposal to Sudden Valley Community Association (SVCA) for Inspector of Election services for your upcoming election. This proposal recommends a hybrid election approach combining a By-Mail Paper Ballot Optical Scan Voting System and E-Voting Platform approach.

UniLect's Optical Scan Voting Systems are federally certified, tested to meet the highest standards of integrity, accuracy and security, and have been used in federal elections since 1996. UniLect's services are used in Board of Directors, Officer, Bylaw, Contract, Merger and Delegate Elections by the Golden Rain Foundation, Laguna Woods Village, San Lorenzo Village Homes Association, National Nurses United, California Nurses Association, International Brotherhood of Teamsters, California Federation of Teachers, United Nurses Association of California/Union of Health Care Professionals, the United Auto Workers, United Food & Commercial Workers, IBEW, SEIU, United Aerospace Workers, American Federation of Government Employees, International Association of Theatrical Stage Employees, Motion Picture Costumers, Bricklayers, Carpenters, American Postal Workers, National Postal Mail Handlers and many more.

The online voting system UniLect has been partnering with since 2020 has been in use since 2011 and has been used in over 295,000 elections. It is used in HOA Board of Directors Elections, Condominium Board Elections, College and University Polls and Elections, Private Organization Elections, Labor Union Contract and Bylaw Elections, Tribal Council Elections and District Caucus Elections by organizations such as Deloitte, Columbia University, International Stage and Picture Operators, SEIU, AFGE, Transportation Workers, CWA and many more. It is used in over 194 countries and in 42 languages and has provided online voting services for over 44,000,000 voters.

To date, UniLect's Voting Systems have served well over 13.5 million registered voters and private organization members.

SCOPE OF SERVICE

UniLect understands that:

1. SVCA is interested in conducting its Annual Election that allows its homeowners to vote by-mail paper ballot, online or in-person at the Annual Meeting.
2. UniLect will work with the Nominations and Election (N&E) Committee Chair and the Board of Directors, as represented by the General Manager. SVCA N&E Committee Chair, a committee member, and a UniLect Representative will make all rulings on invalidated ballots. UniLect will make itself available to the N&E Committee Chair and the General Manager via tele-conference and/or Video conference as needed, to ensure all aspects of SVCA's Annual Election are fully understood/approved and executed. The SVCA Committee Chair and the General Manager are the only individuals with whom UniLect will discuss this contract or the election process. Additionally, any changes to the activities detailed in this contract or to the scope of those activities should be made in writing and must be approved by the Board of Directors.

3. SVCA's Annual General Meetings are held on the first Saturday in November. SVCA's 2025 Annual Meeting and Election will be held on Saturday, November 1st at The Dance Barn located at 8 Barn View Dr. Sudden Valley, Bellingham, WA.
4. All SVCA By-Mail Ballots submitted by mail will be returned to the UniLect California post box. Canadian Ballots will be returned to a Bellingham, WA Post Box. Absentee ballots may also be dropped off at SVCA's Community Ballot Box. The N&E Committee and/or General Manager will be picking ballots up and tracking returns dropped at the Community Ballot Box. UniLect will scan the envelopes of all absentee ballots dropped off at the Community Ballot Box, on the morning of Saturday, November 1, 2025, prior to in-person polling opening.
5. SVCA has approximately three thousand one hundred (3,100) member lots entitled to vote.
6. SVCA members shall be entitled to one (1) vote for each lot which he/she owns as prescribed in Section 7(b) of SVCA's Bylaws. Owners of multiple lots will receive a separate absentee ballot packet and a separate E-Ballot for each lot owned. Once a vote is cast, it may not be changed. A decision by the N&E Committee and SVCA should be made in advance of the election as to which ballot takes priority in certain circumstances, as an operating rule.
7. This proposal presents two (2) different options. Option 1 assumes all members will be mailed an absentee ballot packet as well as an E-ballot that will be sent to them via email and text link. Option 2 assumes approximately 50 % of SVCA membership will be mailed an absentee ballot packet and all members will be sent an E-ballot via email and text link.
8. For the absentee ballot portion of this election, there will be one (1) ballot style. Each member in good standing, (1 vote per lot), may vote for candidates for the Board, candidates for the Nominations and Election Committee, candidates for the Architectural Control Committee, the proposed budget and any other issues as determined by the Board. Members who are not in good standing (1 vote per lot) are only eligible to vote on the proposed budget. Procedures will be in place as in past elections to void any races members not in good standing are not entitled to vote for.
9. There will be two (2) E-ballot styles for the online voting portion of the election. One (1) E-ballot style will be sent to each member in good standing at the time of the record date, (1 vote per lot), to vote for candidates for the Board, candidates for the Nominations and Election Committee, candidates for the Architectural Control Committee, the proposed budget and any other issues as determined by the Board. *Members who are not in good standing (1 vote per lot) at the time of the record date* will be sent two (2) separate E-ballot styles: one E-ballot to vote for candidates for the Board, candidates for the Nominations and Election Committee, candidates for the Architectural Control Committee, and any other issues as determined by the Board and one (1) E-Ballot to vote on the proposed budget. Members who are not in good standing by the deadline of November 1, 2025 (Annual Meeting) will only be eligible to vote on the proposed budget. Any E-ballot submitted for the other races by members not in good standing will be invalidated and not counted.
10. Candidate(s) to the Board, the Architectural Committee and the Nominations and Election Committee, receiving a plurality vote shall be elected.
11. RCW 64.90.525 Budgets-Assessments-Special Assessments: (1)(a) "Unless at that meeting the unit owners of units to which a majority of the votes in the association are allocated or any larger percentage specified in the declaration reject the budget, the budget and the assessments against the units included in the budget are ratified, whether or not a quorum is present". (SVCA Bylaws Section 19 (a)- Requirement of 60% participation of the members language was superseded and made void in 2018 by action of WA State Law RCW 64.90.525, per RCW 64.90.085(2).

12. Each member/lot who will receive a ballot packet by mail will include: One (1) Carrier (out-bound) Envelope ; One (1) pre-addressed postage pre-paid Return Envelope with signature line (and unique member data barcode on the backside of the Return Envelope); One (1) Secret Ballot Envelope; One (1) Official Ballot; and One (1) Voter Guide to include President's Letter, Meeting Agenda, the 2026 Proposed Budget, financial documentation, any Measure Descriptions, Candidate Biographies and Voting Instructions.
13. Each member/lot with email addresses and cell phone numbers on file will be sent an E-Ballot link allowing them to cast their vote electronically.
14. For the 2025 Election, the SVCA absentee ballot packet's Carrier Envelope will be a full color 6" x 9" window envelope. Member names and addresses will be printed onto the backside panel of the Voter Guide, if artwork allows. (If the Voter Guide artwork and print requirements do not allow for this, an additional sheet will need to be inserted into the ballot packet for accommodating the member name/address to be seen through the window envelope.)
15. For the 2025 Election, SVCA Absentee Ballot materials will be printed and mailed from AMS Print & Mail in Blaine, WA.
16. Members will receive notice of the electronic portion of polls opening for this election with notice sent to them via email, text, and mail (language included in absentee ballot packet voter instructions) as well as scheduled reminders for voting in this election. E-voting will begin on September 22, 2025, at the time determined by the Board and N&E Committee.
17. The opening and closing of electronic voting will be finalized by SVCA and N&E Committee.
18. The Official Absentee Ballot Packet Mailing to all Canadian SVCA members will take place no later than Monday, September 22, 2025, allowing a total of thirty-nine (39) days between mailing drop and the by-mail absentee ballot return deadline. These absentee ballots will be couriered into Canada and dropped directly into Canada Post.
19. The Official Absentee Ballot Packet Mailing to all U.S. SVCA members will take place no later than Wednesday, September 24, 2025, allowing a total of thirty-seven (37) days between mailing drop and the by-mail absentee ballot return deadline.
20. Per SVCA Bylaws and Election Manual: "election materials must be mailed not less than thirty (30) days or more than fifty (50) days prior to the election".
21. UniLect will provide a USPS proof of mailing postal form showing the exact number of SVCA absentee ballot packets dropped at the USPS on September 24, 2025. A declaration of facts will be provided for the Canadian absentee ballot drop into Canada Post via Courier Service on September 22, 2025.
22. Absentee Ballots returned by mail to the Inspector of Elections California Post Box will be picked up daily by UniLect and UniLect will scan each barcoded return envelope in order to create the list of all SVCA members who returned their ballot and check to ensure signatures are on each envelope. UniLect will promptly send a replacement ballot with an explanation to members who returned an unsigned envelope if time allows.
23. UniLect will maintain a Master List of all SVCA members who submitted an Absentee Ballot to UniLect's Post Box and/ or E-Ballots that have been submitted electronically and will provide updates to the N&E Committee Chair.
24. UniLect will provide a toll-free Ballot Request Call Center phone number that will be available to all SVCA members 24/7 throughout the election period. Once a member calls in to request a ballot, an automated email is sent immediately to UniLect's fulfillment department with the member's information so UniLect can verify against the Master Mailing List. On Election Day,

UniLect provides backup of all ballot requests in SVCA's Master Election File. Replacement Ballots are sent out on the same business day or the next business day.

25. UniLect will document detailed election activity throughout the election period. A Ballot Request Log, Un-Deliverable Log, and New Member Additions Log (accounting for any oversights on initial member list) will include all data such as names, addresses, emails, cell number, dates of ballot requests, USPS reasons for bad address ballot returns, mailings, re-mailings, e-mailings and texting that will be available for review on Election Day or to the N&E Committee Chair at any time.
26. The deadline for absentee ballots to be received at the Inspector's California post box will be 12:00 p.m. on Friday, October 31, 2025. The deadline for absentee ballots to be received at the SVCA Community Ballot Box will be 4:30p.m. on Friday, October 31, 2025. (N&E Committee Chair will contact County Election Officials to retrieve any SVCA ballots accidentally dropped at County Ballot Box by SVCA Security Office.)
27. The deadline for all E-Balloting to be finalized with SVCA and the N&E Committee.
28. On Saturday, November 1, 2025, UniLect Staff will be present at SVCA Dance Barn in Bellingham, WA to conduct Voter Sign-In and distribute an Official Paper Ballot to those SVCA eligible members who are present to vote and that have not previously submitted an absentee ballot by mail, drop-off or electronic vote. If a member is ineligible, UniLect Staff will direct to the attending SVCA Staff Member empowered to collect payments. If a member remains not in good standing, UniLect Staff will issue a Budget Only Official Ballot. In-Person Polling will open promptly at 9:00a.m. and close at 12:30 p.m., allowing anyone in line by 12:30 p.m. to cast their ballot. If there is a dispute that cannot be resolved, UniLect will have that member cast a Challenged Ballot that will be deposited in the Challenged Ballot Box, for the N&E Committee to make a final ruling on.
29. SVCA Volunteers will be present on Saturday, November 1, 2025, to assist with the removal of secret ballot envelopes from outer identifying return envelopes and removal of paper ballots from secret ballot envelopes. UniLect will use its high-speed envelope opener to slice open envelopes. Volunteers will not be involved in any other aspect of the ballot count process.
30. As soon as in-person polls close, UniLect Staff will begin the tally using its optical scan ballot reader and e-ballot vote totals.
31. N&E Committee Members will handle all collection of paper ballots that members choose to cast at the Annual Meeting that begins at 1:00 p.m.
32. This election will be conducted in accordance with SVCA Bylaws and the SVCA Election Manual (where appropriate) and Federal Election Best Practices. Where there may be any conflicts SVCA Bylaws control.

COMPANY PROFILE

The UniLect Corporation is a nationally recognized leader of superior election management services, equipment and solutions headquartered on the Central California Coast. As an impartial, third-party election services authority, our outstanding team of professional veteran election experts have been serving the needs of election administrators in both the public and private sector with proven, state-of-the-art voting technology with election certifications that stand up to the most intense scrutiny. With over 150 years of combined election expertise and a history of accuracy and integrity second to none, our depth of experience and reputation for providing exemplary elections is unmatched in the marketplace.

Since 1989, UniLect has served well over 13.5 million registered voters, private organization members and homeowners across the United States. UniLect's election experts have been conducting superior elections for over 40 years as representatives, senior management, corporate officers and founders for such election services and products pioneers as IBM, Business Records Corporation (BRC) and

Computer Election Services (CES). UniLect's key personnel have conducted and supported elections of all sizes and complexities from small to large elections, to exceptionally large projects such as the City of Chicago and Cook County in which over 5 million registered voters were served.

UniLect is a federally certified provider of election management services and products. Federal certification is our means of providing assurance to our customers that our election products, and processes, have met the very strictest of standards in place for ensuring the best run elections. A UniLect run election provides organizations with the satisfaction and peace of mind that they are engaging a firm that delivers the highest standards in efficiency, accuracy, security, and integrity. We use only proven and best practice voting procedures and processes to ensure the most trustworthy elections possible. At this time, online voting is not available for federal elections, so there are no federal certification standards for e-balloting. However, there are *industry best practices*, which help to make e-voting trustworthy, secure and reliable.

UNILECT ELECTION PROCESS

UniLect's Optical Scan Paper Balloting Systems use optical mark readers and computer software to tally Voters' ballots electronically and a robust E-Balloting Platform to deliver and count ballots submitted online.

As soon as available, SVCA will provide UniLect with all ballot information including races, candidate names, the order in which candidates are to appear on the ballot, proposed budget language with financial documents, special bylaw measures and/or assessments and all other documents (Candidate Biographies) for the 2025 SVCA Official Ballot and the Voter Guide that will be included in the Official Absentee Ballot Packet and E-Ballot Link.

UniLect will design, print, and prepare materials for the absentee ballot mailing to include the Official Absentee Ballot, Voter Instructions, Voter Guide, and all envelopes.

UniLect will design, prepare, and send via email and text SVCA's 2025 E-Ballot to all members included on the member list with scheduled reminders in place.

UniLect will obtain final authorization for all printed and e-balloting materials from the N&E Committee and general Manager prior to going to print and prior to the official e-Ballot launch.

SVCA will provide UniLect with the record date and an electronic copy (Excel or other CSV database format) of all member addresses, emails, cell numbers and identifying information needed to be sent a ballot. The list will be provided to UniLect using the same format as previous elections, with the addition of member email addresses and cell phone numbers.

UniLect will prepare and mail/email/text the Official Ballots to all homeowners according to the list provided by SVCA. Out-bound Absentee Ballot Mailings will use First-Class Discounted Pre-Sort Postage (or Lettermail Canadian First-Class postage), and the Absentee Return Envelopes will include UniLect's Business Reply Mail Permit, so the Association only pays postage for those ballots that are returned to be counted. Canadian Absentee Ballots will include prepaid International Postage on the enclosed Return Envelope.

A complete list of all voting homeowners who participated in the election will be provided in the Master Election File on Election Day.

UniLect's Inspector of Elections California Post Office Box will be used as the official return addresses for all returned by-mail ballots. For any absentee ballot packets returned un-deliverable, UniLect will provide the N&E Committee/General Manager with an excel spreadsheet of all bad address returns as they come in. If a better address is provided by SVCA's office, a replacement ballot packet will be sent to that member the same day or next business day. Detailed absentee ballot logs showing all activity and resolutions will be in the Master Election File.

During the election period, should a homeowner spoil, lose, or not receive their ballot, UniLect will provide a toll-free phone number (listed in the Voter Instructions included in the Ballot Packet) for homeowners to call and request a duplicate ballot. A detailed *Ballot Request Log* is provided in the master election file at the close of the election. **The phone number to call for a replacement ballot should be provided to SVCA office staff, #1-866-466-6455.** UniLect will manage by-mail absentee returns to California, as well as e-ballots submitted, to manage the list of which members have submitted a ballot and when.

On Friday, October 31, 2025, at 12:00p.m., UniLect will make the final pick up of absentee ballots at the Inspector's California Post Box. All ballots returned with signatures will be scanned to determine name and eligibility. An initial list will be created of all homeowners who participated in the election whether electronically or by-mail to be brought to the SVCA Annual Meeting.

ELECTION DAY

UniLect will arrive at SVCA Dance Barn early on Saturday, November 1, 2025, to set-up election equipment (high-speed industrial envelope opener, bar-code readers, Optical Scan Ballot Reading system, and laptop with election tallying software), all unused balloting materials, remaining official ballots, logs, Proof of Mailing, undeliverable, absentee ballots returned by mail and prepare for the Tally.

UniLect will then add to the initial list (created on October 31, 2025) and will scan all absentee ballot envelopes dropped off at the Community Ballot Box on-site at SVCA. The Voter Sign-In Book will then be printed for balloting on-site and in-person.

At 9:00 a.m. UniLect and the N&E Committee will Open the Polls and UniLect Staff will sign-in any members who present for in-person voting.

At 10:00 a.m. UniLect will begin the process of opening the Official absentee Ballots submitted by-mail (with the assistance of SVCA volunteers) in a separate room not used for live polling. If a member submitted a ballot online as well as by absentee, the date of when the ballot was received will be checked to ensure only the first ballot submitted is counted and the later ballot is voided.

UniLect will begin by providing all observers, candidates, and officials in attendance with an explanation of each phase of the tally process and answer any questions to ensure full transparency.

As soon as the polls close and prior to the counting of all eligible Official Ballots, pre-established Election Rules will be in place, which will guide the election and ensure that any issue that arises has an election rule to address it which is uniformly applied. Parameters that govern what is to be considered a Void Ballot will have been pre-determined by the Election Rules/N&E Committee and SVCA Bylaws.

Ballots that have been returned by members who are not in good standing will be set aside (electronically or physically) until final N&E Committee Chair rulings. Only budget votes will be counted for those members determined by N&E Committee to be not in good standing. (These ballots will be overseen separately.)

All eligible return envelopes will be opened and their contents (Secret Ballot Envelope with Official Ballot), removed. The Return Envelopes will be retained for storage. Secret Ballot Envelopes will then be opened, and the Official Ballot will be removed.

At 12:30 p.m. polls will close and preparation for the Annual Meeting will begin.

At 1:00 p.m., the N&E Committee will collect ballots from any member who has chosen to vote during the Annual Meeting.

Once all polling has ended, UniLect will conduct a Logic and Accuracy Test in full view of all observers to show that the Optical Scan equipment (hardware and software) is counting accurately.

As soon as the last Absentee Ballot has been processed, preliminary election results will be available to include any 'Budget Only' votes (if applicable). UniLect Optical Scan Ballot Readers count approximately ninety-five ballots per minute.

E-voting totals to include any 'Budget Only' votes are available instantaneously and will be combined with the absentee vote totals.

At each critical phase of the election process, UniLect provides each observer/candidate with an *Observer Statement* which they are asked to sign. *Observer Statements* state that, in the observer's opinion, a particular part of the process was conducted in an accurate, fair, and transparent manner. While having observers sign these statements does not prevent a member from challenging an election, it significantly assists our clients in cutting down on erroneous, un-merited and sometimes costly challenges for them.

All balloting materials will be accounted for at every stage of the process, from printing to mailing to final tabulation. UniLect will keep track of all Official Ballots, Logs, Replacement Ballots, Duplicate Ballots, Void, or Challenged Ballots to be reconciled at the Closing of the Polls for SVCA to keep in storage for the duration mandated by its governing documents. A complete Final Balloting Reconciliation Report is included in the election file provided at the close of the election. At any stage in the election process, observers are welcome.

UNILECT RESPONSIBILITY

UniLect has reviewed Sudden Valley Community Association's Bylaws, and N&E Election Manual and will review any further election information the Association would like us to upon receipt. All requirements and rules will be rigorously adhered to.

UniLect will require approval by Sudden Valley Community Association's N&E Committee Chair and/or General Manager of all ballot packet materials to ensure all documents are in proper legal order and in accordance with Sudden Valley Community Association obligations.

Any additional meetings (i.e., adjournments or follow-up meetings with the Board of Directors and/or other meetings) not covered within this proposal, will be completed by our election experts as requested and billed at our hourly rate.

SERVICES COST

The costs of our services are shown in Option 1 and Option 2 attached.

Thank you for the opportunity to provide this proposal. We look forward to once again having the opportunity to work with Sudden Valley Community Association and its Nominations and Election Committee.

Best Regards,



Catherine Burkhardt
Director of Election Services

RFP response relies solely on the information made available with regards to the scope of work requested. UniLect reserves the right to alter this proposal upon a more detailed examination of the work involved.

CONFIDENTIALITY NOTICE:

The information contained in this communication may contain confidential and/or privileged information. It is intended solely for use by recipients authorized to receive it. If you are not the intended recipient you must not use, copy, disclose or take any action based on this proposal/contract or any information herein.